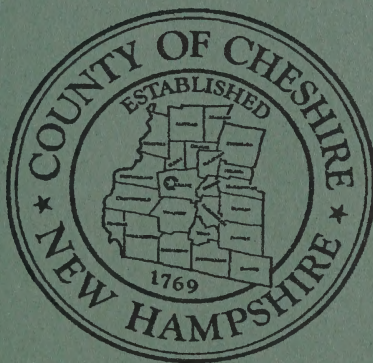


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**REPORT
OF THE
COUNTY COMMISSIONERS
COUNTY TREASURER
AND OTHER
OFFICERS OF CHESHIRE COUNTY
NEW HAMPSHIRE**

For the year ending December 31, 2004



Keene Sentinel Print Shop
Keene, NH
Printed in 2005

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**REPORT
OF THE
COUNTY COMMISSIONERS
COUNTY TREASURER
AND OTHER
OFFICERS OF CHESHIRE COUNTY
NEW HAMPSHIRE**

For the year ending December 31, 2004



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CHESHIRE COUNTY OFFICERS

COMMISSIONERS	352-8215
Roger Zerba, Chairman	
Jonathan Sistare, Vice Chairman	
Robert Moore, Clerk	
COUNTY ADMINISTRATOR	352-8215
John G. Wozmak	
COUNTY ATTORNEY	352-0056
William Albrecht, IV	
ASSISTANT COUNTY ATTORNEYS	352-0056
William W. Cleary; Kathleen G. O'Reilly, Anthony Shepherd, Catherine Ruffle	
MEDICAL EXAMINER	352-5000
James L. Ballou, III MD; Barry L. Stern, MD; Hal Brown, ME; Cheryl Pinney, ME	
REGISTER OF DEEDS	352-0403
Evelyn S. Hubal	
SHERIFF	352-4238
Richard Foote	
TREASURER	357-4575
Ellen DeYoung	
CLERK OF SUPERIOR COURT	352-6902
Barbara Hogan	
REGISTER OF PROBATE	357-7786
Elizabeth Minkler	
DIRECTOR OF ALTERNATIVE SENTENCING PROGRAM	209-1525
Tom Kenney	
SUPERINTENDENT OF JAIL	399-7794
Richard N. Van Wickler	
COMPUTER OPERATIONS COORDINATOR	355-3034
Wendy Putnam	
FACILITIES MANAGER	399-7300
Barry King	
FARM MANAGER	399-7347
David Putnam	
DIRECTOR OF FINANCE	355-3036
Sheryl Trombly	
MANAGER OF HUMAN RESOURCES	399-7317
Wendy Hurley	
DIRECTOR OF HUMAN SERVICES	357-4988
Mimi Barber	
MAPLEWOOD NURSING HOME ADMINISTRATOR	399-4912
John G. Wozmak, NHA	
Adrian S. Farmer, Ph.D.	
DIRECTOR OF NURSING SERVICES	399-4912
Lisa Kemp, DNS	

CHESHIRE COUNTY DELEGATION

2004

District 24 Alstead, Gilsom, Marlow, Nelson, Roxbury, Sullivan, Surry, Walpole, Westmoreland

Daniel A. Eaton, 1 Shedd Hill Rd, Stoddard 03464-4423	446-3535
John J. Laurent, 603 River Rd, Westmoreland 03467-4412	399-7745
John M. Pratt, P.O. Box 726, Walpole 03608	756-9528

District 25 Keene

James T. Dunn, 1 Riverton St, Keene 03431-4709	357-7993
Peter S. Espieffs, 29 Middle Street, Keene, NH 03431	352-2770
Douglas K. Fish, 25 Wetmore St, Keene 03431-3911	357-1732
David R. Meader, P.O. Box 1030, Keene 03431	352-0977
Timothy N. Robertson, 185 Daniels Hill Rd, Keene 03431-5704	352-7006
Pamela Slack, 260 Beaver Street, Keene 03431	358-5132
Charles Weed, 28 Damon Ct., Keene, 03431	352-8309

District 26 Chesterfield, Fitzwilliam, Hinsdale, Richmond, Winchester

McKim Mitchell, P.O. Box 6, Chesterfield 03447-0006	363-8159
Henry A L. Parkhurst, One Parkhurst Pl, Winchester 03470-2460	239-8945
Irene A. Pratt, 66 Clark Road, Winchester 03470-2201	239-4597
Barbara H. Richardson, 101 Morgan Road, Richmond 03470	239-8346
Edwin O. Smith, P.O. Box 26, Hinsdale 03451	256-6133

District 27 Harrisville, Marlborough, Swanzey, Troy

Peter H. Allen, 25 Seaver Rd, Chesham, NH 03450	827-5530
Judson K. Dexter, 64 Ash Hill Road, W. Swanzey, NH 03469	352-1184
George J. Liebl, 12 Centerview Circle, Swanzey 03446	352-3469
Anna Z. Tilton, 60 Webb Depot Rd, Marlborough 03455-2544	876-4411

District 28 Dublin, Jaffrey, Rindge

John B. Hunt, 79 Sunridge Road, Rindge 03461	899-6000
Joseph P. Manning, 9 Bradley Court, Jaffrey 03452	532-8083
H. Charles Royce, 296 Mountain Road, Jaffrey 03452	532-8023
Amy C. Webber, PO Box 26, Dublin 03444-0026	563-8226



County of Cheshire

33 West Street, Keene, NH 03431
Website: www.co.cheshire.nh.us

Cheshire County Commissioners 2004 Annual Report

The location of the new correctional facility proved to be the challenge of 2004. After exhaustive searches in late 2003 by both the Commissioners Site Selection Committee and the Delegation Jail Committee, the Delegation, in February 2004, voted to appropriate \$23.5 Million to build the facility on county owned land in Westmoreland. Shortly thereafter, an architectural and engineering company was hired and various sites were studied, only to have the Delegation in September rescind the February vote as to location! We then had a site area in Keene studied and the Delegation in October voted for the site at the Black Brook Corporate Park. Engineering studies showed that four property owners would be involved and as of the end of December, we appear to be in successful stages of acquisition. Optimistically, we hope that construction will begin in the summer of 2005 and we look forward to a long overdue, new facility.

Severe riverbank erosion occurred on county property along Partridge Brook at the Connecticut River from two major storms in the summer of 2003. The Army Corps of Engineers was eventually contacted and agreed to rebuild on a cost-sharing basis. The design work will continue through the winter with the reconstruction to hopefully occur in 2005.

The County contracted with Honeywell, Inc. for an energy conservation program to our buildings and energy related equipment. This program would be budget neutral. Honeywell will replace significant equipment and do other conservation upgrades that will produce guaranteed and dramatic energy savings in this nearly \$2 million dollar project. We have already experienced a dramatic reduction of water consumption and look forward to additional energy savings for the winter season, as the project is almost complete.

The New Hampshire Department of Health and Human Services is proposing a revolutionary change to the Medicaid program and to the treatment of Medicaid recipients. This proposal would pose a major change in the way we fund and operate our Maplewood Nursing Home. Through our membership in the New Hampshire Association of Counties, we will be proactive in the 2005 New Hampshire Legislative Session to ensure that the best interests of the county and its Medicaid citizens are best served.

Area Code 603

Commissioners 352-8215/Fax 355-3026 ♦ County Attorney 352-0056/Fax 355-3012 ♦ Registry of Deeds 352-0403/Fax 352-7671
♦ County Sheriff 352-4238/Fax 355-3020 ♦ Alternative Sentencing/Mental Health Court 355-0160/Fax 355-0159 ♦ Finance Department 355-0154/Fax 355-3000 ♦ Human Resources 399-7317/399-7378/Fax 399-4429 ♦ Human Services 357-4988/Fax 355-3022 ♦ Maplewood Nursing Home & Assisted Living 399-4912/Fax ♦ 399-7005 ♦ Facilities 399-7300/Fax 399-7357 ♦ House of Corrections 399-7794 /Fax 399-833-

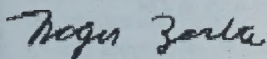
TTY Access 1-800-735-2964

Maplewood Nursing Home & Assisted Living, Facilities Dept. 201 River Road; House of Corrections 160 River Road., Westmoreland, NH 03461

One of the County's unused barns known as the Blood Farm barn, a 150 year-old structure, was donated to the Friends of Pisgah. They had approached the Commissioners to donate the barn with the intent to have it dismantled and rebuilt at the Pisgah State Park Visitors Center. The Delegation approved the Commissioners' recommendation and in July the project began, thus preserving this historic barn.

On behalf of Commissioners Jonathan Sistare, Robert Moore and myself, we thank the nearly four hundred employees of Cheshire County for their dedicated efforts in 2004.

Respectfully submitted,



Roger Zerba
Chairman

Office of the Cheshire County Attorney-Annual Report-2004

The primary focus of the Office of the Cheshire County Attorney is the prosecution of felony level (serious) crimes in the Cheshire County Superior Court. However, one of the assistant county attorneys in our office, Bill Cleary, works under a federal grant, which requires that approximately one half of his case load be in the area of domestic violence. Consequently, Bill is at the Keene District Court on a regular basis. Our caseload is continuing to grow. Cases referred to our office for review for potential prosecution rose approximately 30% between 2002 and 2004, and approximately 12 % between 2003 and 2004. In the area of domestic violence prosecutions, Attorney Cleary handled fifty-six new cases during 2004, an increase of approximately 55% over last year. However, Bill's caseload represents only a portion of the domestic violence cases, which come before the District Court. Sarah Hoskins, our victim witness coordinator for domestic violence cases provided victim assistance services in 274 domestic violence related cases during 2004.

The County is fortunate to have a number of dedicated and talented assistant county attorneys. Kathleen O'Reilly is now in her ninth year with the office. Bill Cleary has been with the office for six years. Tony Shepherd, while only with Cheshire County for two years, is a veteran prosecutor, having served previously, as a assistant county attorney in Merrimack County for eleven years. Cathy Ruffle, is also in her second year with the office. And, while Cathy did not have any experience in the prosecution field prior to coming to our office, she has shown herself to be a quick study and a welcome addition to the team. Together those attorneys worked in excess of 1200 additional hours, or 30 additional weeks over the 2004 calendar year, in service to us all.

As I had indicated in my annual report for the 2003 calendar year, during my time as Cheshire County Attorney the responsibilities of the assistant county attorneys have increased. The Office of the Cheshire County Attorney continues to provide quarterly training seminars throughout the year. The sessions are open to all county law enforcement officers and are held at the Keene Public Library. In addition to that program, one of the assistant county attorneys, or myself continues to meet bi-weekly with investigators from the Keene Police Department and monthly with members of all other county law enforcement agencies at the Jaffrey Police Department, in order to provide updates on recent legal decisions, as well as reviewing pending investigations. I wish to thank Captain Ed Bourassa of the Keene Police Department and Chief Marty Dunn of the Jaffrey Police Department for their help and support in coordinating those programs.

The attorneys in our office also continue to meet monthly with members of law enforcement, social services, crisis workers, victim witness advocates, mental health professionals and medical specialists in order to develop a Child Advocacy Center in Cheshire County. The ideology behind the center being the institution of multi-disciplinary teams from various disciplines trained in the area of investigation and prosecution of child physical and sexual assault cases. These individuals, working as a unified team from the inception of a report

of abuse, would create a uniformity of purpose throughout the county in the area of child abuse prevention, investigation and prosecution.

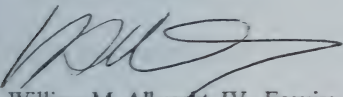
If programs such as the Child Advocacy Center are to succeed in our County, it will require additional resources from a number of disciplines, including my office. I wish to take the time in this report to thank the Cheshire County Commissioners and Cheshire County Delegation's Budget Committee for approving my request for a fifth assistant county attorney beginning in March of this year.

The success of the attorneys in our office is directly tied to the support received from our victim witness advocates, Lyndi Horn and Sarah Hoskins. Lyndi serves as our victim witness coordinator for felony level offenses. Sarah, as indicated above is assigned to provide victim witness services to victims of domestic abuse. Both of these talented women are invaluable to the success of our office. They provide an important resource and point of contact for victims of crime in our County. While I take much pride in the dedication the attorneys in our office afford the victims and police officers, which they serve, their court schedules dictate that they are not always accessible. Without the help and efforts of Lyndi and Sarah, the office could not be as responsive to the needs of those we serve.

I close by recognizing the efforts of our administrative staff: Julie Short, our office manager; Gemma Lantry and Patricia Collins, our administrative assistants. While the attorneys get the credit for their efforts in the Courtroom, it is the administrative staff, which gets us ready to go on a daily basis, often working under some tight deadlines. At times they are under appreciated and over worked, but at the end of the day, we realize they too are invaluable in providing our finished product, which is service to all of you.

As I start a new two-year term as your Cheshire County Attorney in January 2005, I do so with pride in our office and I look forward to the challenges as we move ahead.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read 'W. Albrecht', with a stylized flourish extending to the right.

William M. Albrecht, IV., Esquire
Cheshire County Attorney

To the Honorable Board of Commissioners
and the Citizens of Cheshire County

I hereby submit my annual report as Register of Deeds of Cheshire County for the year ending December 31, 2004.

The Registry saw a 15% decline in document recordings over the previous year, but income was down only 12% which was a result of the increase in transfer tax collected. Total deposits of \$6,460,534.60 for the year were realized, of which \$5,428,289.88 was sent to the Department of Revenue for transfer tax. The 4% rebate to the County totaled \$226,193.12 which was added to the fees of \$658,063.00 for a total of \$884,044.21 submitted to the County. This was an additional \$84,044.21 over the anticipated revenue projection. The adopted budget of \$462,042.00 was covered with the additional \$422,001.21 going to the county's general fund for use in other departments.

The equipment account realized an additional \$38,984.00 for the year. The maintenance agreement of \$6,600 for our web-site was paid out of this account leaving an ending balance on December 31, 2004 of \$46,565.00.

The web-site www.nhdeeds.com continued to grow and there were 5 more paid subscribers in 2004. The ability to check the most current indices helped to alleviate the limited public desk space as more abstractors would update at the convenience of their own offices.

Shelving for books became limited. Books that were returned after restoration were left in the packing boxes on the floors of the closing room and the vault. Some books were stacked on a table in the vault which had to be closed to the general public due to the concern of possible injuries and liability issues. After discussion with the Commissioner's office, I was directed to find possible adequate space within the Administration Building for installation of roller shelving. The basement conference room was selected and at the September 21, 2004 delegation meeting, \$58,000 of the surcharge funds was approved for purchasing shelving. Early December, the room was converted from a conference room to a deed's record room. The restored books finally had a temporary home for easy access as this additional space would only be adequate for a couple of years.

"Identity theft" and "privacy issues" continued to plague the department as the Registers' affiliate continued to work on these problems.

The staff remained at 8, consisting of a Deputy Register, Asst. Deputy Register, 2 clerks, a bookkeeper, 2 reproduction technicians and my secretary.

The Registry wishes to thank the Facilities Department, especially Mike and Don, who were very helpful in many ways over the course of this year. Through the mutual respect of the various departments, including the Commissioner's office and Finance department, we are all very fortunate to be part of Cheshire County.

Respectfully Submitted,

Evelyn S. Hubal, Register



OFFICE OF THE SHERIFF
CHESHIRE COUNTY
12 COURT STREET
KEENE, NEW HAMPSHIRE 03431

TELEPHONE
603/352-4238
FAX
603/355-3020

Office of the Sheriff
2004 Annual Report

The Sheriff's Office has experienced many changes in 2004. We provided part-time police services for Gilsum, changed personnel in our front office, dispatch and deputies. Our work load has increased while we remain short of Deputies and Dispatchers. The members have stepped up to take up the slack and see that the job gets done.

Arlene Brewer Supervisor of the Dispatch Center received the NH Association of Counties Sheriff's Employee of the Year. She earned this award for her dedication to her employees, the County, the police officers and citizens who depend on the communications center. Fellow communications center personnel Rachael Derosier received a Sheriff's Office Commendation for her outstanding work helping police locate a potential murder suicide before either tragedy occurred. Rebecca Hokinson received a Sheriff's Office Official Recognition for her quick thinking and common sense that helped police and rescue personnel locate a motor vehicle crash where the victim was lost in the fog.

Except for a few hours in the early morning hours, the dispatch center is staffed 24/7 with two Communications Specialists running two identical consoles. We received a Homeland Security Grant to add a third console for emergencies and busy shifts. For the year 2004 the Communications Center handled 34,155 calls for police service within the county.

The Sheriff's Office contracted with Gilsum to provide part-time police services to the town of Gilsum. We share the duties with the State Police. The people of Gilsum seem to be receptive to our presence and the job we are doing. The Deputies have enjoyed their work in Gilsum and interacting with its citizens.

Law Enforcement personnel and civilian staff in the Sheriff's Office participated in the following training courses during 2004.

- Domestic Violence Update
- Cultural Diversity in NH
- Civil Process Seminar
- Systems Administrator Course, IMC
- Polling Compliance Inspections
- Conducting Physical Fitness Reviews
- Latent Recovery Techniques
- NH Cyber Crime

- Methamphetamine Investigations
- Advanced Driver Training
- Lifesaving Resources
- Motor Vehicle and Criminal Code Update
- Forensic Epidemiology
- Straight Baton
- Taser Instructor Course
- How Animal Cruelty is Linked to Domestic Violence
- Firearms Instructor Recertification
- Court Room Security
- Animal Cruelty Investigation
- Mass Casualty Training
- Crisis Intervention Team Training
- Nation Extradition Seminar
- Project Safe Neighborhoods
- Ethical Issues in Law Enforcement
- National Incident Based Reporting System

Sheriff's Office Personnel participated in the following community activities.

- Cheshire County MADD Chapter.
- Governor's Task Force on Motor Vehicle Fatalities
- *Employer Support for the Guard and Reserve.*
- New Hampshire Special Olympics Law Enforcement Torch Run.
- *D.A.R.E. New Hampshire State Board of Directors.*
- *The Prevention of Alcohol Abuse in Cheshire County.*
- Cheshire County AARP 55 ALIVE.
- SHEPARD Program.
- New Hampshire Special Olympics Executive Committee.

Sheriff's Deputies and Civilian Personnel assisted Jaffrey Police with the fireworks, Rindge Police with activities at Franklin Pierce College. Keene Police with Pumpkin Fest and activities after the Red Sox American League Pennant victory over the Yankees and World Series win. They assist departments with special events as requested.

In 2004 Criminal Investigations and Motor Vehicle Activity increased 172 percent and 79 percent respectively while transports increased 7 percent. Civil process remained about the same while civil and criminal arrests increased by 7 percent.

We anticipate 2005 to be a busy year and look forward to the challenges ahead. We will strive to maintain the highest level of law enforcement service to Cheshire County.

Respectfully submitted,



Richard A. Foote
Sheriff

CHESHIRE COUNTY SHERIFF'S OFFICE
SUMMARY OF ACTIVITIES
2004

INVESTIGATIONS

ASSAULTS (by Prisoners, Aggravated, Simple	1
BAD CHECKS	5
DESTRUCTION/DAMAGE/VANDELISM	2
POSSESSION & USE OF TOBACCO	1
DRUG/NARCOTIC/VIOLATION	6
DISORDERLY CONDUCT	1
DRIVING AFTER REVOCATION	1
FAMILY OFFENSES	1
FUGITIVE FROM JUSTICE	2
RECEIVING STOLEN PROPERTY	1
ALL OTHER OFFENSES	47
TOTAL	68

ARRESTS

CIVIL, CRIMINAL & CHILD SUPPORT	347
ASSIST OTHER DEPARTMENTS	4
TOTAL	351

TRANSPORTS

FOR SUPERIOR COURT	724
FOR DISTRICT COURTS	1385
INVOLUNTARY EMERGENCY ADMISSIONS	22
OTHER	193
TOTAL	2324

CIVIL PROCESS SERVED

CIVIL PAPERS & SUBPOENAS	3941
COUNTY ATTORNEY SUBPOENAS	65
TOTAL	4006

MOTOR VEHICLE

WARNINGS	361
SUMMONS	139
TOTAL	500

**CHESHIRE COUNTY TREASURER
ANNUAL REPORT 2004**

To the Citizens of Cheshire County

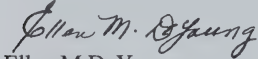
During the year 2004 low interest rates were available during the borrowing cycle in the First quarter and began to increase during the latter portion of the year effecting our investment cycle in a positive manner. A line of credit was negotiated with Citizens Bank for possible use later in the year, however was not needed due to receiving our portion of the new Nursing Home "bed tax" in excess of one half million dollars.

Our annual audit for the year 2003 was completed early in 2004 by Mason & Rich auditors and was satisfactory with little comment. The annual audit has a downside as costs for the audit have doubled in the past several years and are an item of major cost.

I want to thank Financial office Director Sheryl Trombley, the entire Financial department, all the Commissioners and Legislatures for their cooperation making this another successful year.

After 21 years of association with the County, seventeen years as an employee and four years as an elected official "Treasurer" I decided not to stand for reelection and retire to my home in Swanzey. I have enjoyed my years with the County working with State, County and local officials and I wish everyone well.

Respectfully submitted,



Ellen M. DeYoung
County Treasurer

**CHESHIRE COUNTY
ALTERNATIVE SENTENCING PROGRAMS
ANNUAL REPORT 2004**

It is becoming more and more evident that the treatment of substance abuse issues and mental illness in people charged with misdemeanors in the Keene District Court is a more productive alternative to incarceration in many cases. The Cheshire County Alternative Sentencing Program (CCASP) since it's inception in October 2001 has successfully completed 75% of it's participants and the Mental Health Court Pilot Project (MHCP) since it's inception in January 2003 has successfully completed 70% of it's participants. This does not necessarily mean that they will no longer have contact with the court in the future but it does show that a high percentage of our referrals have a willingness to meaningfully address the underlying issues, on a voluntary basis, that may have contributed to their criminal behavior in the community.

We continue to have an "any door" policy for referrals to our programs. Prosecutors, Public Defenders, the court itself, family members and friends have all referred clients to our programs. Once a referral is made, an assessment for appropriateness and willingness to participate in treatment is completed. If accepted, a person is referred to appropriate community resources including, but not limited to outpatient therapy, inpatient substance abuse/mental health treatment, psychopharmacology, self-help meetings, when warranted, and a weekly monitoring meeting with a Case Manager. The community treatment providers are required to report to us on a regular basis each clients compliance or non-compliance with a specific treatment regimen. All clients are also required to remain abstinent from alcohol and drugs while in either program and are subject to random urine screens to verify their abstinence.

From January 1, 2004 through December 31, 2004 sixty-seven clients have been referred into the CCASP. Of these thirty-four have successfully completed the program, twenty-three are actively participating and ten were discharged for non-compliance issues.

For calendar year 2004 the MHCP saw a thirty five percent increase in the amount of referrals from 2003. This was probably due to a lack of familiarity with the program in 2003 and a sorting out process of the mechanics of a new program. Forty-two clients were referred to us in 2004 and of these fourteen have successfully completed the program, sixteen are actively participating, three have active bench warrants against them, one was found inappropriate for the MHCP, three clients, after some participation, had their charges dropped, three were provided services outside of the traditional MHCP, one client is deceased and one client was transferred to the CCASP and was successfully completed from that program.

Respectfully Submitted,

Gerry Pelletier, LADC
CCASP/MHCP Case Manager

William Cartwright, MA, LADC
CCASP/MHCP Case Manager



CHESHIRE COUNTY DEPARTMENT OF CORRECTIONS

160 RIVER ROAD
WESTMORELAND, NEW HAMPSHIRE 03467

www.ccdoc.org

TTY Access 1-800-735-2964

Richard N. Van Wickler, Superintendent
Penny Vitale, Executive Assistant
Phone 603-399-7794
Fax 603-399-8334

Cpt. Robin Cook, Director of Operations
Lt. Hank Colby, Director of Programs
Lt. Robert Hummel, Director of Training
Sgt. Heather Smith, Classification

Annual Report 2004

The average cost to house an offender for the State of NH in **2001** was \$25,949. In Maine it was \$44,379. In RI it was \$38,503. and in MA it was \$37,718. For **2004** Cheshire County housed its prisoners for \$18,599. Our total operating costs were \$2,095,511. with \$403,000. in revenue. The average daily inmate population in this facility, which has a design capacity of 47, was 91.

In 2004, we processed 1713 criminal offenses. Following is a breakdown of some of those charges by number of offenses within the County of Cheshire:

Aggravated felonious sexual assault	6	Forgery	11
Felonious sexual assault	8	Fugitive from justice	16
Sexual assault	2	Kidnapping	1
Arson	2	Non support	69
Breach of Bail conditions	19	Protective custody	302
Burglary	31	Shoplifting	23
Child Pornography	5	Simple Assault	106
Criminal mischief	41	Violation of Parole	19
Criminal restraint	1	Violation of probation	121
Criminal trespass	23	Viol. of a protective order	58
Driving after suspension	65	* See our website for a complete list.	

We incarcerated 25 offenders who were under the age of 18 but held as adults under NH statute.

There were 8 assaults. The Sheriff's Department investigated four of them. All of the assaults were inmates against each other.

There were 5 suicide attempts by inmates, each one prevented.

Inmate disciplinary board statistics:

The department of corrections has an inmate disciplinary coordinator who will conduct due process hearings for inmates who have violated the rules of the institution. This coordinator will read the report of the officer and hear testimony of the offender and then determine guilt or innocence based on the preponderance of evidence. If found guilty, the coordinator will issue sanctions in accordance with a sanctioning table approved by the superintendent. In 2004 there were 215 major disciplinary violations reported and 193 minor disciplinary charges. Of the 215 majors, 26 were found “not guilty” and 2 were dismissed with prejudice. These proceedings resulted in 357 days of lost earned time and 1111 days in punitive segregation. Of the 193 minor violations, 168 inmates lost visiting privileges and/ or recreation time and some may have had to perform additional work duties. The average wait for an inmate disciplinary hearing was 2.8 days.

Inmate programs:

The department supervised 28 sentenced inmates who were on Court ordered work release programs. These individuals are released from jail in order to work in the community and they return following their work shift.

The electronic monitoring program supervised 4 pretrial release offenders and 18 sentenced offenders. Our electronic monitoring program will progress to Global Positioning Tracking in 2005. Currently we can monitor work schedules and ensure that the offender is not drinking alcohol or using drugs while on house arrest. This is a program with a lot of possibilities that we are excited about.

We currently have 100 approved volunteers that share their time and talent for 15 on going programs. The North Country Education Foundation tutored 13 inmates who were determined eligible for special education service under Federal law.

In 2004 there were 14 inmates who passed their GED examination while incarcerated and an additional 3 inmates received their actual high school diploma.

The Programs department provided 187 sentenced inmates to assist with labor at the Cheshire County Fair Association. The UNH Cooperative Extension also benefited by inmate labor. We continue to honor our “adopt a highway” program with the Department of transportation where we pick up litter along a stretch of road on Rt. 12 in Westmoreland.

The Director of inmate programs coordinated special presentations by the Cornerstone Motorcycle Ministry, the Sarasa Chamber Music Group and other presentations. The Director of Programs also provided 246 individuals with tours of the institution performed 9 public speaking engagements and supervised the college intern program.

Staff Training and Development:

The Director of Training and Staff Development completed an excellent overhaul of the Field Training Officer Program and modeled it after National Institute of Corrections recommendations. Feedback from staff has been very positive regarding this program. We have also been developing instructor certifications for our training program and enhancing our supervisory skills. The shift supervisors all received intensive training in leadership, counseling, time management and critical thinking.

We have had several employees selected by the National Institute of Corrections in Colorado to attend their academy there. If selected to attend the NIC, the Federal Government pays for all travel, lodging and meal costs associated with the school. We have received training in Jail design and development, inmate classification and staff training.

Average training hours per officer in 2004 is 163. The supervisory staff received an average 138 hours of training.

Inmate Mental Health Statistics

The Department of Corrections has included in its budget funding for a mental health clinician. Since allocating funding for this purpose, we have seen a significant decline in mental health crisis while in custody. This occurs just as the admissions of offenders with significant mental health issues are on the increase. Of the more than 1200 offenders that were booked into the institution during 2004, 217 of them were seen by our part time mental health clinician. The results of his work are attached to this report.

Jail Expansion Effort

As of this report, we expect to purchase property in Keene across from the city landfill for the purpose of erecting the new department of corrections. We have worked diligently with the Architects and engineers of SMRT and have developed a floor plan for the department using information from the Liebert report. The budget for the project in the Liebert report was calculated in 2003. The cost of the project is likely to increase due to the delay in moving forward with the expansion in accordance with time lines provided in the Liebert report. Everyone involved with the project is working very hard to provide the best result for the least expense to the taxpayer.

As always, I credit the success of the department of corrections to the many dedicated employees that we have ~ they are truly the best that this field has to offer and we are very fortunate to have them.

R.N. Van Wickler
Superintendent

CCDOC Mental Health Intervention Statistics 2004

Notes.

Referral Source: Nursing (138); Self (58); Correctional Staff (40); Family/Friends (3); Provider (3). Many inmates were referred by more than one source. A total of **200 inmates received MH assessment** (17 inmates were assessed in 2003 but continued to receive MH services in 2004).

101 of 217 inmates met criteria for dual diagnosis (47%).

160 of 217 inmates met criteria for drug and/or alcohol abuse or dependence (74%).

130 of 217 inmates met criteria for drug abuse or dependence (60%).

101 of 217 inmates met criteria for alcohol abuse or dependence (47%).

41 of 217 inmates were assessed to be at high risk to attempt suicide (19%).

43 of 217 inmates were assessed to be at high risk to commit acts of violence while incarcerated (20%).

109 of 217 inmates were previously diagnosed with a personality disorder, met criteria, or would likely meet criteria if assessed for a longer period of time (50%).

82 of 98 inmates who received mental health assessment and psychoactive medication at the CCDOC had seen an MD, PCP, ARNP, or PA prior to incarceration (84%).

52 of 98 inmates who received mental health assessment and psychoactive medication at the CCDOC had seen a therapist or case manager prior to incarceration (53%).

31 of 977 inmates received psychoactive medication but did not require MH consultation (3.2%).

248 of 977 inmates received MH services: psychoactive medication, MH consultation, or psychoactive medication and MH consultation (25.4%).

155 of 977 inmates required active or intensive mental health treatment (16%).

39 of 217 inmates who received MH services at the CCDOC were women (18%).

12 of 217 inmates who received MH services were federal inmates (6%).

40 of 217 inmates who received MH services will reside outside of Cheshire County upon release (18%).

Mental Health Assessment by Age Group

<u>Age Group</u>	<u>Inmates per Age Group</u>
17 – 19	34 (16%)
20 – 29	83 (38%)
30 – 39	61 (28%)
40 – 49	25 (12%)
50 – 59	12 (5%)
60+	2 (1%)
	total = 217
17 – 25	90 (41%)
17 – 29	117 (54%)



CHESHIRE COUNTY COMPUTER OPERATIONS ANNUAL REPORT 2004

Computer Operations had a very busy year in 2004. We continue our lease program for our desktop computers and 2004 was the first year we cycled out leased computers and upgraded them.

The Computer Operations Department handled numerous calls for troubleshooting, installation, and repair of equipment and user assistance. As always, we look at cost-effective solutions for the County and in April we switched our Internet provider earning a significant savings. A County telecommunications group has been formed to look at the needs of the County for data and voice. We are considering the future communications needs of the County so that we can provide the most-cost effective solution for these services between Keene and Westmoreland.

Doug Scribner, PC Specialist at Maplewood Nursing Home has been instrumental this past year in saving the County money by writing access-based programs for various departments at Maplewood. Doug built an Inventory Program for Durable Medical Equipment, which is used by the Physical Therapy Department; a staff development program for Maplewood Employees in-service and continuing education hours, which can be viewed by employees on-line. Doug assisted with the development and implementation of a self-study package for Maplewood Employees mandated annual employee orientation program. Doug continues to work with the QIC Coordinator at Maplewood on an access database program for Infection Control.

In June, we were contacted by Strafford County's IT department regarding formation of an Information Technology Affiliate group under NHAC. We meet monthly at the Primex building in Concord. The group held a few seminars this year at the annual NHAC Conference at the Balsams and will continue to do so each year. At the December NHAC Executive meeting, the IT group was accepted as an Affiliate of NHAC.

In August we hired a part-time PC Specialist. This position has proven to be a great asset to the County. The Department upgraded the Kronos Time and Attendance program utilized throughout the County for tracking employee work hours.

We worked with Cheshire Medical Center to install a thin-client computer at Maplewood Nursing Home for the contracted physician. This thin client computer allows the physician access to the CMC medical program in order to view a patients medical records file.

The department continues working on the HIPAA (Health Insurance Portability and Accountability Act) Security ruling, which takes affect April 20, 2005. In October we contracted with a vendor to perform a HIPAA Security Assessment of our network

I would like to extend my sincere thank you to the County Delegation members, County Commissioners, Elected Officials, County Administrator and Department Heads for their support of the Computer Operations department.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Wendy L. Putnam".

Wendy L. Putnam
Computer Technician

CHESHIRE COUNTY FACILITIES ANNUAL REPORT

The facilities department had a very busy year maintaining all county building and grounds. All of the buildings are in good shape -inside and out. Also, we've received many compliments on how the lawns always look great!

Maplewood Nursing Home

Approximately 3,000 work orders were generated by the nursing home. Most are minor in nature, and can be completed in less than an hour. A small percentage of work orders required many hours and sometime days to complete. A comprehensive preventative maintenance program helps me to analyze the problems and prepare with a resolution before a major break down occurs.

House of Corrections

The jail building is in pretty good shape, even with my frugal approach to maintaining it. I am doing what is required to maintain a safe and useable building. In anticipation of a new jail, I have a lot of requested dollars for any major projects. We replaced the boiler this year, as the old one couldn't be replaced.

Water Treatment Plant

The water treatment plant produced 10,926,034 gallons of water for the Westmoreland complex. 95 % of the water we use comes from the Connecticut River. The other 5 % comes from a well located behind the nursing home.

Wastewater treatment plant.

We removed all sludge from the lagoons at the wastewater treatment plant. This hadn't been done in ten plus years and will help with state compliance codes.

Administration Building

Deeds expanded into the meeting room on the ground floor. This should give deeds at least four years before they run out of space again.

Court House

Two new cells were built for the sheriff's department on the ground floor. Other out of the ordinary maintenance jobs was the rebuilding of two water pumps and the sewage pump tank.

Also, two items worth mentioning are the ADA audit, which is now on a time schedule and the Honeywell energy saving program. The ADA audit was accepted by both Cheshire county and the U.S. Justice department. What this means is we now have set periods of time to be in compliance with the Americans with Disabilities Act. The Honeywell energy project is almost completed and we should begin to realize savings on fuel and electricity soon.

Respectfully submitted,

Barry King
Facilities Manager

HUMAN SERVICES DEPARTMENT ANNUAL REPORT FOR 2004

To the Honorable Board of Commissioners and Citizens of Cheshire County. As Human Services Administrator for Cheshire County, I hereby submit my report for the year ending December 31, 2004.

The Human Services Department is responsible for meeting the needs of the elderly, the disabled, the infirm and the youth of the county who qualify for certain state programs.

Following this narrative are reports (one for the adult programs and one for the juvenile program) which show expenses by town (being the town in which the recipient was living at the time that program eligibility was determined by the state).

Old Age Assistance is a program providing cash grants to income eligible elderly persons. The county pays a fifty percent share of the grant. Cheshire County paid a total of 47,024.74 for 96 individuals. Aid to the Permanently and Totally Disabled is a program which provides cash grants to income eligible persons who have severe physical or mental disabilities. The county's share is fifty percent of the grant. Cheshire County paid a total of \$320,828.17 for 403 individuals. Eligibility for both the Old Age Assistance Program and the Aid to the Permanently and Totally Disabled Program is determined by the Office of Medical Services of the New Hampshire Department of Health and Human Services.

The cost for those individuals residing in nursing homes and who are eligible for the Medicaid Program is split three ways, with the federal share being 50% and the state and county share being 25% each after deduction of any personal income available to the resident. The county expended \$2,656,718.08 as its share of the cost for 447 individuals.

As a result of legislation (Senate Bill 409) which became effective on January 1, 1999, the counties' share of the cost of Intermediate Nursing Care (room and board) was reduced from 30.55% to 25%. However, the counties become responsible for paying 25% of the costs for a wide array of medical services (called Provider Payments) for those Medicaid eligible residents of nursing homes. In addition, the counties are also responsible for paying 25% of the costs of various medical services for those individuals who are in the HCBC (Home and Community Based Care) program. To be eligible for this program, individuals must meet the medical criteria for nursing home admission. This program allows people to stay in their own living environment (i.e., home, apartment, etc.) with various types of medical support instead of entering a nursing home.

In 2004, 170 individuals received services under the HCBC Program. The county's share of costs for both the HCBC Program and Provider Payment was \$1,272,075.57.

The county shares with the Division for Children, Youth and Families and the Division of Juvenile Justice Services the cost of certain court-ordered services provided to the juvenile and/or family at a 25% county/75% state ratio. Some of these services include foster homes,

group homes, in-patient psychiatric facilities, the Youth Development Center, legal counsel, clothing, transportation, diagnostic evaluations, counseling, child health support services, respite services, outreach and tracking services, and medical and dental care. During 2004 there were 326 active cases (cases involving payments/expenses) and the cost to Cheshire County totaled \$639,306.84.

For the last several years, the ten counties in New Hampshire have been receiving funds from the Division of Children and Youth Services known as Incentive Funds. These funds are used to fund programs at the local level designed to prevent out-of-home placement of juveniles. Toward the end of 2004, we received \$208,765.00 in Incentive Funds. A Selection Committee determines program funding. The Selection Committee, comprised of the County Human Services Administrator, one County Commissioner, , one former County Commissioner, one State Representative, the President of the local United Way, and three individuals from the State Department of Health and Human Services, decided to use an additional \$30,080.08 of surplus money in our account which consisted of accrued interest and funds awarded in previous years but not completely used by the recipient agencies. A total of \$238,846.00 was awarded to the following agencies to fund programs during 2005:

All R Kids (a supervised visitation center providing a neutral, safe and confidential space for supervised visitation and monitored exchanges to occur in court-ordered cases involving domestic violence and child abuse/neglect, as well as privately arranged cases. All R Kids is set up to ensure that the custodial and non-custodial parents have no contact when the visitation or exchange occurs.);

Antioch Psychological Services Center (a program providing intensive team-based psycho-social intervention to families referred to DCYF because of suspected neglect or abuse, but where there is insufficient cause for mandated treatment or further legal involvement);

Big Brothers--Big Sisters (a mentoring program designed to serve at-risk children between the ages of 6 and 18. The children (clients or "Littles") are matched with adults (volunteers or "Bigs"). The match is carefully planned, based on mutual interests, built on a child's strengths, and designed to last. The Case Manager carefully monitors the matches over the span of the commitment providing full support.);

Cheshire Mediation—Parent-Youth Mediation (providing a parent-youth mediation service which brings together family members who are in crisis with the goal of helping them reach some agreements about how things can change);

Cheshire Mediation—Circles of Support and Accountability (this initiative seeks to engage our communities' most disenfranchised youth in a positive way which will give them the skills and support to succeed in our community. Youth who are returning to the community from structured placement facilities or Youth Development Center face the challenge of being reintegrated into the community. Circles of Accountability will provide community support and a sense of belonging to the youth being reintegrated.);

Family Center (a Parent-Child Connections Program is a year-round, weekly support program

for families with children from birth to age five offering education and support for parents, as well as a developmentally appropriate enrichment program for children);

Girls Incorporated of New Hampshire (The mission of Girls Incorporated of NH is to help girls achieve their personal best through one on one attention, leadership development, a talented staff and volunteers and a wide range of enrichment programs. Girls Inc. programs are valuable for all girls, not just those at risk. The impact Girls Inc. of NH programs can have on a young life, socially, educationally, and personally is stunning. Girls gain self-confidence and an understanding of their unique, valuable place in the community. And then they lead others to make the community better.);

HCS Community Care (the Promoting Healthy Families Program will address inadequate social supports and social isolation in lower to moderate income families in Cheshire County. A social worker with special background and training in parenting issues will be assigned pregnant and parenting families who are at social and/or physical risk. The families will be identified by the physicians providing the prenatal care, by social service agencies and town welfare offices and by child care centers. The role of the social worker, in coordination with other parent support systems in the community, is to make assessments and appropriate referrals to community supports and follow up with the progress of the family with home visits. Group educational and supportive programs will be planned with topics ranging from nutrition to age-specific play to the nationally recognized Parents as Teachers Program.);

Keene Housing Authority (Building Bridges is Keene Housing Authority's program serving youth and their families living in public housing. The program has three primary components: case management for youth/parents, daily after school program and life skill workshops/programs. A Resident Services Coordinator guides the family in setting goals and addressing needs in areas of employment, financial management, parenting and family planning, education and self-development. At each of the two family sites, a Housing Authority Youth Services Coordinator coordinates the after-school program with the highest priority given to helping youth with their homework, tutoring, learning through computers, developing social skills, providing positive role models, and solving problems at home by sitting down with teachers/school staff. They work with each child/family to develop plans to help each child reach their full potential. The Keene Housing Authority believes that children participation in youth programs are more likely to gain greater self-esteem, improve relationships with adult/peers, improve attitude toward school, achieve higher grades, less likely to use drugs, alcohol and participate in juvenile delinquent activities.);

Keene Youth Services Department--Chins Diversion Program (a community-based preventative program serving non-criminal youth aged 7-17 years and their families. CHINS is a legal term commonly used to describe a youth who is truant from school, repeatedly running away, or repeatedly disobeying their parent or guardian. Youth are identified for the program by state and local police departments, school personnel, other service agencies and parents through demonstration of status offense behaviors. The purpose of the program is to prevent inappropriate or unnecessary involvement through assessment, referral, and case management services. Adherence to a mutually developed case plan holds the youth accountable for their actions and aids the family in accessing available resources in the community.);

Keene Youth Services Department--Juvenile Conference Committee (is a pre-adjudication intervention program for first-time young offenders. JCC is an alternative to formal juvenile court proceedings. The goal of JCC court diversion program is to encourage responsibility and accountability on the part of juvenile offenders in order to deter further delinquency and future court involvement.);

Keene Youth Services Department--Earn-it (Earn-It is a juvenile offender/victim restitution program for delinquents (age 12-17). Youth who owe restitution (both monetary and symbolic) are referred to Earn-It to repay their victims and the community for their illegal actions. Referrals are made by the Keene District Court and the Juvenile Conference Committee Diversion Program.);

Many Options (MANY Options is an after-school program for fifth through ninth grade youth that offers a variety of supervised activities from 2:30-5:30 pm each day according to the school calendar schedule for SAU 29. Activities are run throughout the Keene community at Stonewall Farm, the Moving Company, the Keene Public Library, the Keene Family YMCA, the Keene Community Kitchen, and the Monadnock Humane Society. Other activities offered include programs run by our own Challenge and Acting-Out Programs. The program runs for 36 weeks (entire school year), and participants pay an annual membership fee based on a sliding scale with scholarships available to those who show need.);

Marlborough-Harrisville School District (This grant would be used to fund a cooperative before and after school program between the rural towns of Harrisville and Marlborough for grades 1-5 and an after school program for grades 6-8. Our intention is to service 30 youths and 15 middle schoolers in our program. Our ratio would be 1-15 in each of the programs. The supervision afforded by this program would reduce the number of unsupervised children and middle schoolers. This would serve to increase their safety and opportunity for enrichment activities as well as to decrease illegal behavior such as drug and alcohol misuse, sexual activity, and other behaviors requiring police intervention. To support this goal, we would structure discussions on positive decision making and problem solving. We hope to impact academic growth by offering academic support as part of the daily schedule.);

Monadnock Family Aide Transportation Program (to fund a part-time para-professional family aide position to enable families to more successfully meet the needs of their children and to enhance family stability through providing concrete assistance in accessing services);

Monadnock Family Services Challenge Program (an activity based group experience that utilizes problem solving initiatives, low and high elements, new games, rock climbing and wilderness experience to enhance self-esteem, co-operation, decision making, interpersonal communication skills and trust building);

Monadnock Family Services Parent Outreach Project (community based program designed to provide parent education and support groups for parents of young children, as well as parents of pre-teens and adolescents);

Planned Parenthood (providing direct education in family planning to guests at the homeless shelter and participants in the Cheshire Academy program; to train staff members of social service agencies to discuss birth control and other family planning issues with clients and to provide direct education to teenagers);

Rise...for baby and family (early intervention program serving developmentally delayed children up to age 3);

The Samaritans (The Education and Outreach Program is structured to reach youth in Cheshire County through interactive presentations which will open the lines of communication between area adults and youth.);

Troy Elementary School (This program entitled "No Child Left Alone" will provide after-school programming for children in grades K-6 at Troy Elementary School. The main goal of the program is to have a safe, nurturing environment which promotes social, academic, emotional and physical health for students and their families.);

Winchester Learning Center (The Winchester Learning Center, located in the United Church of Winchester, in Winchester, NH, provides child care, preschool and family resources to children ages 2-6 and their families.).

During the **1999** budget process, the Board of Commissioners recommended that the sum of \$20,000 be included in the budget to encourage the creation of innovative, community-based programs to serve the youth of Cheshire County. The County Delegation subsequently voted to appropriate these funds. The Delegation also voted to amend the Human Services Department budget to create a Capital Reserve Account for this grant program and to fund that account using reimbursement funds from the Division for Children, Youth and Families in the amount of \$63,954.13.

Since there was a balance left in that account, in April, 2004, proposals were solicited from towns, schools, agencies and other interested parties and were reviewed by a panel which included Commissioner Roger Zerba, former Commissioner Greg Martin, State Representative Tim Dunn, County Human Services Administrator Mimi Barber, Lauren Bressett, Family Educator for UNH Cooperative Extension Services, and Judy Lang, a community volunteer and parent.

\$23,855.00 was used to fund the following programs for the program year running from July 1, 2004 through June 30, 2005:

Cheshire County 4-H Council Pedal Program (A bicycle-based program to help children stay healthy, to reduce air and water pollution and to increase local prosperity.);

Emerson Elementary School Leadership Program (The Emerson Elementary School 5th and 6th teachers, the School Counselor, the School Principal, and the School Nurse in collaboration with the Cheshire County YMCA/Camp Takodah and other area agencies and institutions propose a Leadership Program for the entire student population in Grade 5 and Grade 6 at the Emerson

School in Fitzwilliam, NH. This program involves leadership training and experiences within and outside of the classrooms, discussions and lessons, presentations, small group instruction, and "role modeling" to promote the development of leadership skills. Our overall goal is to have each of the grade 5 and 6 students be exposed to, develop and demonstrate positive leadership skills within and outside the school community.);

The Moving Company Dance Center (or CAKE, as it is affectionately known – is a multi-arts summer program designed to provide a constructive, educational, and inspirational creative outlet for children aged 9-16 in Keene, New Hampshire and the surrounding area – essentially, Cheshire County. A production of The Moving Company Dance Center, in partnership with ACTING Out, Life Art Community Resource Center, Monadnock Family Services, Ray's Camera, the Keene Sentinel, the Savings Bank of Walpole, CAKE provides 140 hours of quality arts education with teachers who have proven ability to work with youth. It is the only multi-arts program in the area. Since its inception three years ago, this program had developed a reputation of excellence and continues to expand in both programs offered and the number of youth served.);

RAMS Association & Rindge Police Department (We are requesting funding for the Rindge Memorial School and Community Playground located in Rindge, NH. The purpose of this project is to provide a safe and structured area for the youth population of Rindge to congregate which provides physical and mental challenges to develop and promote greater self-confidence, self-esteem, and self-image with each youth. In addition, components of the play area will be dedicated to strategic games to develop and promote teamwork and skills in conflict resolution. The end result of the project includes greater physical fitness, a positive sense of self, abilities to deal with every day issues encountered by youth including, but in no way limited to, negative peer pressure and/or bullying. Our goal is to have a safe, non-threatening area where all youth can congregate within the community and to provide a common meeting ground for youth and town officials to interact and foster long term positive relationships.);

Town of Jaffrey After School Youth Program (The target population for the After School Youth Program is middle school students attending school in Jaffrey. In order to appeal to a broad range of interests, the Program will include arts and cultural activities at the Library and recreation and sports at the Recreation Department. The Program will be structured so that one or more activities are available after school on any given day, five days a week throughout the year. The Recreation Department has the infrastructure in place to provide an after school program but does not have a staff member available. The Library has staff available during this time frame but lacks other resources to make the program work.);

WWW.itsaboutus.org (To increase the awareness of Cheshire County parents of middle and high school-aged youths) of healthy, safe and sober opportunities for youth, and resources and support for parents, through the development of a website for Cheshire County parents.)

The Cheshire County Human Services Department remains a vital link between the courts, the Division for Children, Youth and Families, the Department of Juvenile Justice Services and the providers of services for children, youth and families.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "Mimi Barber". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Mimi Barber
Human Services Administrator

CHESHIRE COUNTY HUMAN SERVICES

EXPENSES BY TOWN

JANUARY 1, 2004 THROUGH DECEMBER 31, 2004

	CASES	OAA & MEDICAL	CASES	APTD & MEDICAL	CASES	INTERMEDIATE NURSING CARE	CASES	HCBC	CASES	PPMT	TOTALS
ALL		0.00	1	-306.00	1	-272.65		0.00		0.00	-578.65
ALL TOWNS		0.00		0.00	2	-111,188.37		0.00		0.00	-111,188.37
ALSTEAD		0.00	5	3,258.75	8	55,496.65	1	7,850.32	10	18,580.15	85,185.87
CHESTERFIELD	2	782.00	10	15,221.75	8	62,293.75	4	13,463.16	11	9,470.99	101,231.65
DUBLIN		0.00	1	210.25	4	29,046.39	2	8,340.51	6	4,390.73	41,987.88
FITZWILLIAM	2	150.25	8	8,280.00	11	35,372.48	6	18,039.45	16	12,345.08	74,187.26
GILSUM	1	114.00	4	6,807.00	1	-608.91		0.00	1	-32.47	6,279.62
HARRISVILLE		0.00	2	723.25	2	4,045.53		0.00	1	725.53	5,494.31
HINSDALE	5	3,328.00	29	31,629.00	11	61,291.14	11	25,129.23	20	24,132.07	145,509.44
JAFFREY	5	2,647.75	24	20,665.00	29	182,712.26	7	23,272.53	39	42,065.23	271,362.77
KEENE	40	11,987.49	165	125,630.32	149	956,120.55	57	171,217.88	199	290,676.89	1,555,633.13
MARLBOROUGH	3	3,114.00	13	8,853.75	7	56,831.21	4	6,910.44	10	8,164.96	83,874.36
MARLOW	1	690.00	1	1,179.00	2	10,308.51	2	4,879.64	4	7,285.39	24,342.54
NELSON		0.00	2	3,522.00	3	19,457.12		0.00	3	1,356.94	24,336.06
OTHER	4	2,175.00	9	7,113.00	68	450,236.30	9	11,978.93	84	74,145.04	545,648.27
RICHMOND		0.00	2	1,201.00	2	20,062.51	2	1,504.29	4	4,363.29	27,131.09
RINDGE	2	1,728.00	12	6,886.14	13	78,433.52	3	12,616.76	15	14,941.21	114,605.63
SPOFFORD		0.00	1	2,057.00	1	3,478.87		0.00		0.00	5,535.87
STODDARD		0.00	2	1,651.00	1	7,941.52		0.00	2	200.53	9,793.05
SULLIVAN	1	40.50	2	2,441.75	3	2,052.52	2	2,724.67	4	3,637.94	10,897.38
SURRY	1	3,354.00	2	1,716.50	4	12,189.62	1	8,122.16	5	1,470.64	26,852.92
SWANZEY	8	2,779.25	26	22,284.20	37	218,914.28	26	68,762.78	56	97,235.09	409,975.60
TROY	5	5,954.25	16	12,060.96	18	95,404.70	8	20,438.78	21	33,347.82	167,206.51
WALPOLE	4	1,359.00	15	11,710.50	27	185,122.45	4	13,606.69	32	40,014.18	251,812.82
WESTMORELAND	2	1,016.25	1	21,700.00	3	25,949.84	3	11,322.79	5	20,316.15	60,775.03
WINCHESTER	10	5,805.00	50	23,862.05	32	196,026.29	18	67,738.31	56	64,230.42	357,662.07
	96	47,024.74	403	320,828.17	447	2,656,718.08	170	497,919.32	604	773,063.80	4,295,554.11

CHESHIRE COUNTY HUMAN SERVICES
EXPENSES BY TOWN
JANUARY 1, 2004 THROUGH DECEMBER 31, 2004

TOWN	# OF CASES	AMOUNT	FED SHARE	COUNTY SHARE
ALSTEAD	5	90,747.71	41,149.75	12,399.49
CHESTERFIELD	2	38,233.62	13,466.43	6,191.80
FITZWILLIAM	4	36,187.65	16,505.69	4,920.49
GILSUM	4	85,761.90	30,598.84	13,790.77
HARISVILLE	1	6,039.00	0.00	1,509.75
HINSDALE	32	426,105.06	112,500.52	78,401.14
JAFFREY	25	217,653.46	55,872.79	40,445.17
KEENE	107	1,416,804.66	560,327.45	214,119.30
MARLBOROUGH	7	92,736.23	39,792.77	13,235.87
MARLOW	2	37,517.90	24.45	9,373.36
NELSON	1	108.00	0.00	27.00
OTHER	12	58,836.02	11,236.28	11,899.94
PETERBOROUGH	1	60,602.57	30,231.00	7,592.89
RICHMOND	1	8,925.36	2,881.15	1,511.05
RINDGE	10	178,706.79	69,954.67	27,188.03
SULLIVAN	1	1,492.92	746.46	186.62
SWANZEY	30	303,213.90	109,735.97	48,369.48
TROY	23	337,124.63	178,927.11	39,549.38
WALPOLE	8	80,282.62	49,043.26	7,809.84
WESTMORELAND	4	8,212.70	3,668.47	1,136.06
WINCHESTER	46	626,561.63	227,963.90	99,649.43
TOTALS	326	4,111,854.33	1,554,626.96	639,306.86

Annual Report for 2004

Maplewood Nursing Home and Assisted Living Apartments

Maplewood Nursing Home and Assisted Living Apartments continues to be the best nursing facility in the region, if not the state. The facility scores well on licensure surveys and continues to meet with very favorable comments from residents and families. Cheshire County residents should indeed be proud of the level of service and the environment of their nursing home and assisted living facility. The department heads and staff at Maplewood strive with unparalleled dedication to reach their highest potential; seeking new and different ways to meet the ever-changing needs of the residents.

There were 48 nursing home admissions in 2004 and a total of 10 admissions to the Assisted Living Apartments and 40 people on the waiting list to move into our apartments. ALF staff has remained quite stable and staff retention has not been a concern. The staff are dependable and work together to cover vacations, sick time and open shifts. All the staff is conscientious about the budget and minimizing overtime. Assisted Living again had a deficiency-free survey in 2004.

The physical therapy and occupational therapy departments continue to make approximately 1,000 visits providing therapy to residents.

Our TLC Unit is one of the state's premier dementia units, accepting individuals with significant behavior problems that cannot be managed elsewhere. The residents in the TLC unit offer unique challenges to the nursing and medical staff to provide the most personal freedom for the resident while assuring the safety of residents and staff. This unit underwent a programmatic re-assessment to make certain that the programs are finely tailored to the needs of the residents. This involved a substantial amount of staff time and utilized the help of a neuro-psychologist and a geropsychiatrist in formulating treatment approaches.

Nursing staffing continues to be a challenge. The general nursing shortage has an impact on our ability to fill all available positions. We continue to work cooperatively with regional agencies such as the Cheshire Medical Center and Home Health Care to support the new nursing program in Keene. We continue to support the Community Technical College at its new Keene location on Marlborough Street. The CTC has opened a nursing program in this area in response to significant interest and pressure from local agencies. This cooperative program will help agencies, such as the nursing home and jail, to overcome the nursing shortage.

We have entered into an agreement with the Cheshire Medical Center – Dartmouth-Hitchcock Clinic to provide physician services to the nursing home. We are pleased to have a new Medical Director, Dr. Gary Shapiro, overseeing the care of the residents. Our association with the medical center and clinic also allows us to access more easily the dozens of subspecialties the hospital provides. We are proud of the increase in the quality of the medical care created by this new association.

The Long Term Care Counselor pilot program, which assisted in the determination of the need for nursing home care, was discontinued due to a lack of funding at the state level. The County had participated in the funding of this program but stopped funding it when the state's interest in the program declined.

The financial operation of our nursing home improved somewhat in 2004 due to new reimbursement opportunities from the federal government and state government. The NH Association of Counties has worked hard to increase the funding of nursing homes in order to decrease the burden placed on county taxpayers. Those efforts will continue as the state considers modernizing Medicaid in order to decrease Medicaid expenses. Even with those efforts, the county taxpayers continue to subsidize the operation of the nursing home by \$1 million to \$2 million per year, primarily due to under-funding the state budget and by-passing federal matching dollars. As the pressures upon the state operating budget increase, political pressures push costs down to the county and local levels.

Maplewood provides the highest quality of care, delivered with compassion. The staff is to be commended for their hard efforts at this most difficult task of caring for our elders.

Respectfully Submitted,
Jack Wozmak, NHA

Annual Report-2004 Safety Officer

At the risk of being repetitious, Safety had another notable year ending with a deficiency-free Life Safety Code inspection, thanks to the combined efforts of Safety, Facilities, the Maplewood Complex Safety Committee and the Cheshire County Joint Loss Management Committee.

Health and Safety education is a continuous process for the Safety Officer, logging in 54 hours of educational time in 2004. Department Heads and Supervisors began Disaster Planning and the Incident Command System learning process, courtesy of Pete Petschik, Bureau of Emergency Management. Education continues for employees on Defensive Driving, Fire Safety, Fire Extinguisher training, Bus Safety and Workers Right to Know. The County continues its membership with the Safety and Health Council and NFPA.

The Maplewood Complex Safety Committee and Cheshire County Joint Loss Management Committee continue to meet and inspect County facilities on a regular basis. In honor of National Safety Month in June, the crash test dummies Vince and Larry visited all County buildings and employees to promote driving safety awareness. Vince and Larry also dropped in to say hello during a Commissioner's meeting.

Disaster and fire drills were all in compliance in 2004 and were a good test of policies and procedures, resulting in some changes and improvements in procedures.

Ergonomic improvements continue to be performed throughout the County. The Safety Officer manages the workers compensation program and temporary alternative duty programs are available for all employees who experience a job-related injury or illness.

The Safety Officer is continuing to sponsor interns twice a year from the Keene State College Safety Program, resulting in good experiences on both sides.

Many thanks to all who made 2004 another notable year for Safety and a special thanks to the Maplewood Complex Safety Committee and Cheshire County Joint Loss Management Committee for their dedication to safety and hard work.

Respectfully Submitted,

Pamela Fortner,
Cheshire County Safety Officer



UNIVERSITY of NEW HAMPSHIRE
Cooperative Extension

2004 ANNUAL REPORT
CHESHIRE COUNTY COOPERATIVE EXTENSION
800 Park Avenue
Keene, NH 03431-1513
352-4550

Cheshire County - UNH Cooperative Extension is part of the educational network connecting University knowledge and research to all residents of Cheshire County. We provide individuals, families, businesses, and communities with direct access to research based knowledge from the University. Cheshire County UNH Cooperative Extension's two major program areas, natural resources and family-community-youth, focus on topics that include community education, child care and development, wildlife management, 4-H youth programs, nutrition and food safety, farm and forestry practices, environmental quality, and more.

The local communities have been the center of UNH Cooperative Extension program efforts since its establishment by Congress in 1914. Cheshire County Extension is one of ten county offices that link the University to local communities. People may drop in or call for information, or participate in programs presented or coordinated by Extension Educators. We offer up-to-date information to help residents make informed choices, answer questions, and help solve problems. We work diligently to identify those issues critical to Cheshire County residents and to formulate non-formal education programs addressing those issues. Cheshire County UNH Cooperative Extension helps individuals improve their health by changing their diets, helps families better manage their time and money, helps communities solve environmental or economic problems, helps the food and agricultural industry keep up-to-date with developing technologies and helps youth become tomorrow's leaders.

For more information on our programs call us at 352-4550, visit our web site at <http://ceinfo.unh.edu>, or stop by our office at 800 Park Avenue in Keene.

UNH Cooperative Extension programs and policies are consistent with pertinent Federal and State laws and regulations on non-discrimination regarding age, color, handicap, national origin, race, religion, sex, sexual orientation, or veteran's status.

MEMBERS OF THE CHESHIRE COUNTY EXTENSION COUNCIL – 2004

Maria Callahan, Keene
Howard Weeks, Alstead
Peter Rhoades, Alstead
Ann Sweet, Sullivan
Tom Wyman, Dublin
Tara Durgin, Swanzey
Tracie Smith, Sullivan
Marilyn Hurley, Keene
Wes Cobb, Keene
Susan Zimmerman, Keene
Martha Zimmerman, Keene

County Delegation

David Meader
Commissioner
Robert Moore Jr.

COUNTY EXTENSION EDUCATORS

Lauren Bressett	Extension Educator, 4-H Youth Development County Extension Coordinator
Nancy Bradford-Sisson	Extension Educator, Family Development
Carl Majewski	Extension Educator, Agriculture Resources
Marshall Patmos	Extension Educator, Forest Resources
Andrea C. Sawyer	Program Associate, 4-H Youth Development
Christine Parshall	Program Associate, Nutrition Connections
Support Staff	Diane DuGray, Diana Fiorey

**CHESHIRE COUNTY UNH COOPERATIVE EXTENSION
FORESTRY and WILDLIFE PROGRAM
Marshall Patmos - Extension Educator, Forest Resources
2004**

The forest resource of Cheshire County is significant with eighty-nine percent of the land base (405,100 acres) forested with 96% of that (389,000 acres) owned by an estimated 5600 private landowners. The annual 20 million board feet of sawmill capacity and the 50 or more logging operators in the County significantly contribute to the areas economy and certainly to the state's \$1.7 billion forest industry. The forests of Cheshire also provide the backdrop for a healthy tourism and recreation industry which statewide provides 1/3 of the total revenue to state government and generates an estimated five billion dollars.

The mission of the Extension Forestry and Wildlife program is to provide educational information and assistance so that landowners, businesses, policy makers and the general public can make informed decisions about maintaining a healthy forest resource while sustaining economic viability.

Information and assistance is provided to private woodland owners, primary processors, the general public, organizations and communities of Cheshire County. Supporting the Extension County Forester is a network of Extension Resource Specialists at UNH, specialists at the US Forest Service, NH Fish and Game and the NH Department of Resources and Economic Development including but not limited to the NH Division of Forests and Lands.

While the Forest Resource Educator serves on a number of committees that provides programs and assistance of State and Regional impact, a real strength of the program at the County level is the one on one assistance. While some contacts are by phone or mail, many require a personal consultation, field visit and examination. Others can be addressed through a public forum, meetings, field demonstrations or workshops and through newsletters, bulletins, news articles and radio.

In 2004, 187 individual assists were given to landowners representing 5248 acres of forest land in the areas of the planning and implementation of forest management activities such as forest improvement thinnings, planting, wildlife habitat improvement, protection, and best management practices.

An additional 184 assists were provided landowners in the utilization and marketing of forest products and 14 forest product processors (loggers, mills,) were helped.

Financial, economic and legal aspects of owning and managing forest land are important components of forest management with 74 individual assists provided last year in economics, taxes, regulations and legal issues.

332 assists were given to Cheshire County homeowners , landowners, communities and the general public last year in the areas of insects and diseases, pesticide use, water quality, environmental issues and community forestry. Individual assists for 2004 totaled 590.

Providing information to the 23 communities of Cheshire County is an important component of the program. All communities receive Extension's bi-monthly newsletter, and other mailings of pertinent information relating to the forest resource. Last year 19 towns were individually assisted with issues such as community forestry, timber harvest regulations and taxes, current use assessment, harvest laws and land protection. 19 schools were provided free tree seedlings from the NH State Nursery as part of Arbor Day recognition through the program.

Natural resource management assistance to the Cheshire County property in Westmoreland and Chesterfield is provided with general forest land management, long range planning, wildlife habitat improvement, and timber and fuelwood production.

In addition to management assistance, UNH Cooperative Extension has an ongoing natural resource awareness and public education project at the Cheshire County Complex in Westmoreland.. More than 6000 feet of river and woodland trails have been developed and maintained on the property. With assistance from a Conservation License Plate (Moose Plate) grant administered by the NH State Conservation Committee (NH SCC) program a 2100 foot limited mobility/handicap accessibility river trail was constructed this past year. Coordinating maintenance of woods and river nature trails, education materials for trails, and invasive plant control is also part of our responsibility. Five public workshops/events including "Cheshire Outdoors" were held at the property involving about 550 people. Many others use the river and woodland trails on their own. An invasive plant removal project continues in cooperation with volunteers, inmates, NH Department of Agriculture and NRCS.

Information and educational efforts (news articles, radio, TV, group presentations) are critical to keep landowners, decision makers and the general public informed about the protection, management and benefits of a healthy forest resource.

Last year 12 public presentations were made to 851 people, covering topics such as current use assessment, estate planning, logger training, wildlife habitat, Christmas tree management, woodland management, community forestry and permanent land protection. In addition there were 25 local, regional and national media contacts (news articles, newsletter, radio, etc) on a wide range of topics. Prepared a Current Use fact sheet and assessment range matrix, produced the "2004 New England Guide to Weed and Brush Control in Christmas Trees".

In order to prevent duplication of effort and dilution of resources, the Extension Forestry and Wildlife Program has working relationships with other private and public groups and agencies such as the Farm Service Agency, Conservation District, Natural Resource Conservation Service, NH Division of Forest and Lands, NH Fish and Game, US Fish and Wildlife Service, N.H. Timberland Owners Association, NH Timber Harvest Council, Society for the Protection of N.H. Forests, Monadnock Conservancy, NH Audubon, the N.H. Tree Farm Program, forest industry and private licensed forestry consultants. Referrals and assistance to the private sector and encouragement of its development are important. Last year 43 referrals were made to the private sector.

The Extension Forestry and Wildlife program has been providing unbiased, research-based forest resource education and information since 1925. The multiplier effects and benefits of the program continue to insure a sustainable and economically viable resource.

Agriculture Resources

Carl Majewski, Extension Educator

Name of Program: Integrated Pest Management for Forages and Field Crops
Grass Farming and Pasture Management
Nutrient Management

Brief Program Description: These programs are targeted primarily towards area dairy, livestock, and forage producers. The major components of these programs are producer workshops (including a spring Pasture Management workshop, a fall Corn and Forage Meeting, and a Nutrient Management 'kitchen meeting' with Grafton County Extension Educator, Tom Buob) and farm visits with individual producers that enable me to discuss pest management, forage production, soil fertility, and environmental quality issues in greater depth. The nutrient management program includes promoting the use of a set of portable scales (purchased jointly by Cheshire & Sullivan counties) to allow producers to maintain more accurate records of crop yields and manure applications.

Objectives: The overall objective for all three programs is to educate producers so that they will be able to produce quality forages and field crops efficiently in a way that protects soil and water resources. Specifically, the programs' objectives are to show the importance and benefits of such concepts as pest monitoring, effective nutrient allocation, and efficient forage production from pastures, and to teach specific skills such as pest identification crop scouting, use of alternative forage crops, intensive pasture management, and nutrient management practices.

Impacts:

- ◆ Approximately 40 producers and pesticide applicators attending the December Corn and Forage meeting were able to increase their knowledge and skills in pest identification, scouting techniques, and safe pesticide storage. Comments from producers' evaluations indicate that they intend to take the time to scout crops and keep better records in their pest management program.
- ◆ 25 people attending the Pasture Management workshop learned basic concepts in management intensive grazing, animal utilization of forage, and pasture plant growth patterns
- ◆ Approximately 20 people attended pasture walks in Cheshire and/or Sullivan counties and increased their understanding of soil fertility, weed management, pasture species identification, and paddock rotations. In an informal survey, attendees have commented that the information covered during these walks and the opportunity to share ideas and experience with other producers has been useful in their daily management of their grazing operations.
- ◆ The use of portable scales continues to enable producers to use manure more effectively in their soil fertility program. Two farms in Cheshire County used the scales to determine crop yields and/or manure application rates more accurately. One of the farms is using the information, along with soil test information and farmyard manure analyses to form a Nutrient Management Plan. These practices should save money on the farm by reducing commercial fertilizer purchases, and they should help improve environmental quality by allocating plant nutrients to meet crop needs instead of overloading certain nutrients.

- ◆ Four area producers gained experience raising BMR sorghum sudangrass as a forage crop, and two have expressed an interest in growing the crop again. This will encourage better crop rotations, and because the crop can be grown without using herbicides, it should help reduce pesticide use without sacrificing forage yields or quality.

Other Activities and Impacts:

Objectives: Other educational programs and activities within the Agricultural Resources program area target not only agricultural producers but also the non-farming audiences. The goal of these efforts is to increase participants' knowledge, skills, and awareness in efficient agricultural production, environmental stewardship, and the role of agriculture in Cheshire County.

- ◆ At the Dairy Farm Worker Training, 19 dairy farm employees increased their knowledge and skills in animal care and milking procedures. One farm owner whose employees attended wrote "The kids from our farm couldn't stop talking about it. They came back charged up. They also said the [UNH-produced "Joining a Milking Crew"] video was excellent and should be given to every new employee...Thanks for running such a useful program."
- ◆ An area vegetable producer suffered extensive crop losses due to corn borer in sweet corn. During a farm visit, I was able to show the producer how to scout for corn borer injury early in the season and help him develop a spray program for managing the pest. This year, the crop sustained only very minor corn borer injury, resulting in much lower losses and a higher-quality crop to sell.
- ◆ In response to a request from Cheshire Medical Center in Keene, I arranged a visit with Cathy Neal to look at damaged trees planted on the premises. Cathy determined that the damage was due to the use of stock not hardy in NH's climate, and that many of the trees were not planted properly. As a result, the hospital was able to have approximately 24 trees replaced, representing a substantial financial savings
- ◆ Approximately 700 non-farming residents in Cheshire County have received information for home gardening, care of livestock, home pest control, and the safe and responsible use of fertilizers and pesticides via workshops, lectures, office visits and phone contacts.
- ◆ This year, five new interns were admitted into the Cheshire County Master Gardener program. These interns have completed projects throughout the county to help educate the general public about gardening and horticulture. These projects included promoting use of the Keene Community Garden, working with youth in the Winchester Beautification Committee to design and install ornamental plantings around a town monument, and continuing work with youth in Gilsum at the Emerson Brook Forest Sustainability Project.
- ◆ Approximately 700 residents from New Hampshire and Vermont who attended the Cheshire County Open Barn Day gained a greater appreciation for the dairy industry in New Hampshire and have a greater understanding of how an area dairy farm operates.
- ◆ Information from monitoring for corn rootworm will help producers decide which pest management products are appropriate for their operation and which ones are unnecessary. This year's survey indicates that while rootworm numbers are increasing, they are not yet at a high enough population for producers to justify using genetically modified crops or insecticides to control them.



The mission of 4-H youth development is to provide positive experiences for youth and adults to develop their individual potential as caring and contributing members of an ever-changing world. To facilitate this, 4-H staff are involved in community efforts in youth development as well as administering the 4-H club program in the county.

Community Development – *helping communities develop and sustain comprehensive programs, using sound practices that meet local youth needs and improve quality of life.*

After school programs are becoming important in many communities. Extension assisted the Hinsdale After school Coalition, strengthening their after school initiative and successfully applying for their \$89,900 5 year Drug Free Communities grant. We will help with staff training, program planning, evaluation assistance and 4-H curriculum for this project. We are also providing staff training and curriculum for Winchester's 21st Century Learning Center grant. Four other programs are using 4-H curriculum. In addition, in collaboration with PlustimeNH, an after school network is being organized to help programs in the county share techniques and training, and possibly collaborate on some regional grants.

Extension assisted school districts with their Youth Risk Behavior Survey results. The parent newsletter on Communicating with Your Teen was adapted for publication in *Parent Express* reaching 12,000 in the region. The Keene High Principal asked us to help do strategic action planning. As a result, three Safe and Drug Free Schools Community Partnerships were formed that are revising the disciplinary policies of SAU 29, creating a district wide youth risk prevention plan, and developing outreach processes to parents of teens in the district. Already this fall, 100 parents of freshman were called and informed about resources and supports available to them, and two grants were received to create a local parent resource web site.

As a presenter for the Partners in Prevention speaker series sponsored by the Monadnock Action Network with Youth, we gave 8 presentations on Understanding Adolescence reaching 184 people. Evaluations showed that 75% increased their knowledge of adolescent changes, behaviors, and needs; 73% increased their ability to work in positive ways with teens, and 87% intend to improve their role modeling and supervision of teens. A 7th grade teacher commented, "This gave me new perspective in working with students."

Extension gave two presentations on Strategic Planning and Program Evaluation for the Monadnock United Way Brown Bag Lunch series reaching 81 people. Evaluations showed increase in knowledge and intent to use the information in planning and evaluation. One participant commented, "What a gold mine these have been! I have used the information to rewrite two grants I am working on." Another reported using the information in their organization's current strategic planning process.

We are involved in ongoing collaboration with a variety of community organizations to address youth issues of the county. These agencies include: Cheshire County Human Services, Cheshire County Community Board, Council for a Healthier Community, Hinsdale Prevention Coalition, Keene Youth Services, Monadnock Family Services, Monadnock United Way, New Futures, NH DADAPR, NH Teen Institute, Phoenix House, Plustime NH, SAU 29 Safe and Drug Free Schools, SamariTEENS, Winchester CAST, and the YMCA.

Positive Youth Development - *providing training in positive youth development which helps insure high quality leadership for 4-H Clubs, school enrichment and after school programs and other community based youth programs. The focus in positive youth development is to help youth learn and practice life skills, those abilities that they will need throughout their life.*

In the Cheshire 4-H program 71 adults served as 4-H leaders reporting an average of 98 hours of direct involvement with youth. Another 178 people volunteered in roles such as activity assistants, judges, and chaperones. There were 263 youth enrolled in 25 4-H clubs and 1447 youth participated in school enrichment programs. An additional 198 youth were involved in longer special interest programs such as environmental awareness and diversity awareness.

In evaluating the impact of the 4-H club program, members showed significant increases in development of the following life skills:

82% Using a variety of ways to reach goals	55% Connecting with positive peers
82% Using suggestions to improve skills	55% Solving conflicts in ways that are not hurtful to other
73% Gathering and organizing information	
73% Confidence in public speaking	

4-H members are expected to do service projects. 93% of the youth reported being involved in projects averaging 10 hours each. Some projects this past year included: Maplewood Pen Pals, Christmas support for various charities, assistance at community suppers, read-a-thons, recycling clothes, roadside pickup, support of various community charities including the Keene Community Kitchen, animal visits to elderly or youth with disabilities, and elderly yard work and winter sanding.

Some of the strengths of the 4-H club program are seen in the achievements of the youth involved. Cheshire had 21 youth attending NH Teen Conference, 20 youth selected for state and 11 youth selected for regional events in communications, 36 were selected for regional project opportunities, 49 youth competed on the state level in knowledge bowls with 3 going on to nationals, 28 were selected for state judging competition with 4 going on to nationals, 2 teens attended National 4-H Congress and one teen was selected to represent NH at National 4-H Conference.

County support for the 4-H club program is used for professional staff that oversee the program, train volunteers, and insure that the curriculum is based upon solid youth development research. Funds for educational materials, recognition, and opportunities for the volunteers and youth participants comes from the Cheshire 4-H Council, a non-profit entity. The 4-H Kitchen at the fairgrounds serves not only as a fundraiser for the Cheshire 4-H Council, but also as hands-on experience for youth in applying workforce skills. \$5000 was raised by the 184 members and 64 adults volunteering to work in the kitchen. This money was used to purchase educational materials, support 14 county events, send teens and volunteers to conferences and events, and recognize program participants.

The value of the 4-H program can be seen by these comments of parents, youth, and others:

"My child has learned to be a leader by watching his leaders and taking on more responsibility."

"The 4-Hers have learned to take risks. They are individuals in their ideas and actions."

"At 4-H everyone is one big family. There are challenges but support is always available."

"4-H has helped me become a caring person and has shown me how rewarding that can be."

"There have been a number of best experiences as a 4-H volunteer from watching a timid youth develop into a confident adult to watching a child's face light up when they realize what they themselves have accomplished."

FAMILY AND CONSUMER RESOURCES

Nancy Bradford-Sisson

The UNH Cooperative Extension Family and Consumer Resources Program provides **Cheshire County residents** education and information grounded in research and proven practices to:

- develop the capacity of children, youth, adults, and families to become healthy, competent, contributing, and caring participants in an ever-changing and diverse world.
- strengthen the capacity of communities to foster the healthy and productive development of all children, youth, adults and families.
- enhance lifelong learning, good citizenship and human potential.
- solve the critical issues affecting children, youth, families, and communities by working collaboratively with UNH faculty, agencies, organizations, and individuals.

A variety of methods are utilized including **group programs, newsletters, media and individual contacts**. Cooperative Extension cooperates with many agencies and organizations to avoid duplication and maximize use of resources. **Information is often delivered through partnerships/collaborations** including with the following: Maplewood Nursing Home, Keene Health Department, Keene Housing Authority, Monadnock Senior Advocates, Community Network Team, Monadnock Regional School District, Keene State College, Keene School District, Cheshire Mediation, Southwestern Community Services, SBDC, MicroCredit-NH, and Hannah Grimes Marketplace.

Educational efforts included the following general issue areas during 2004:

FAMILY RESOURCE MANAGEMENT: To provide education so that individuals and families will reduce debt, increase saving, increase confidence in making financial decisions, evaluate choices in relationship to present and future financial goals and increase financial literacy;

HUMAN DEVELOPMENT (PARENTING/CHILD CARE): To work with families and caregivers to develop confidence, knowledge and skills needed to be more effective parents and caregivers;

FOOD SAFETY: To share the latest food safety research in teaching consumers, training food service workers and reducing foodborne hazards in food production/processing/retail environment;

NUTRITION, WELLNESS, PHYSICAL ACTIVITY: To work with individuals and families to make informed decisions regarding lifestyle choices;

STRENGTHENING COMMUNITIES: To provide leadership and community support/opportunities to help people work together to address local issues/problems.

An example of the educational efforts associated with one of these areas, “Family Resource Management”, follows.

Brief Program Description: Individuals and households are saving less and spending more, putting their financial security at risk now and in the future. Cheshire County’s Family Resource Management educational efforts show financial management education increased Cheshire County residents’ skills and as a result, many changed their financial practices to enable them to reach financial goals.

Objectives and Impacts: Individuals and families gain awareness, knowledge and skills to: manage resources and pay bills on time; recognize consequences of financial decisions; manage the use of credit; increase personal savings and investments; reduce excessive debt; determine retirement or future income needs and how to meet them; prepare to manage the risk of changes in health and independence.

- \$ “Making Money Work For You” group program series (with 32 participants) pre/post evaluations indicate that: participants increased their savings (from 47% to 58% in non-retirement and from 10% to 44% in retirement savings after series); 47% of participants reported they had decreased their credit card debt; fewer participants indicated they were always paying bills late at the end of the series; 90% of the participants stated that they were satisfied with the steps they were taking to reduce debt, compared to 53% before the series; at the beginning of the series, 72% of the participants reported they felt confident about making decisions about money and after the series, 96% indicated they were confident; participants’ confidence about setting financial goals also increased; 86% have a record keeping system (compared with 40% pre) and another 14% are planning to do so; 26% had prepared a household inventory (compared to 13% pre) and another 52% plan to do so; 46% had calculated a net worth statement (compared to 32% pre) and another 36% plan to do so; 48% have an emergency fund (compared to 22% pre) and another 52% plan to start one; 71% had reduced their money leaks (compared to 14% pre) and another 25% plan to do so; 42% had reviewed their insurance coverage (compared to 29% pre) and another 35% plan to do so; 48% had obtained a copy of their credit report (compared to 36% pre) and another 37% plan to do so; participants indicated that they have shared the workshop information with 68 others.
- \$ Participant’s comments from “Making Money Work For You” group program series pre/post evaluations: “I have drastically reduced spending and decreased credit card debt.”; “I have saved and have money left over before my next pay check. That’s a very big accomplishment.”; “My family /household members/mother and adult son are now actually communicating with each other about finances and other little problems that had been completely overlooked before.”; “I have started monthly payments on back debt.”; “I have interested my two daughters, 12 and 14, to keep closer track of their money and savings.”; “I have applied for a loan to lower my car payment and although I haven’t heard back from the company I applied to, just taking that first step was a big success. Thinking of a plan and doing it.”; “I have learned a lot about how I spend money and how I can start saving better.”
- \$ One “Making Money Work For You” participant enthusiastically shared during the fourth session about the amount of cash that she still had access to at the end of the week. Having money “left over” was not a usual occurrence for her. She attributed it to the increased awareness resulting in some behavior change with spending decisions.
- \$ End-of-the-program evaluations from “Take the Road to Financial Security in Later Life” group session indicated that 100% of the participants: could identify common factors that increase a person’s risk of not facing later life financial security; could identify reasons why achieving later life financial security can be rewarding; could identify specific action steps to protect later life financial security; could use the information on normal later life events to help develop plans for the future.
- \$ Participants’ comments from end-of-the-program evaluations from “Take the Road to Financial Security in Later Life” group session indicated the following plans as a result of the program: “increase money to 401, get/write a will, try to actively spend less and save”;

“explore a will and long term care”; “plan on saving more, legal action, evaluate some of my finances”; “procure additional information”; “review records, update policies and arrangements”; “talk to my husband”.

- § Six-month-follow-up “Take the Road to Financial Security in Later Life” evaluations with a 57% return rate indicated that as a result of the program: 100% had organized financial records, reviewed savings/investment plans and knew where to find information to help make decisions about later life; 75% had identified later life financial goals, determined later life income needs, established/revised saving and investment goals, estimated life expectancy, reviewed Social Security Statement, identified risks/costs/financing options to protect against changes in health including long term care and updated list of beneficiaries; 50% had initiated/increased contributions to any savings plans, built more than one source of income for later life and developed a plan for later life financial future; 40% had discussed later life needs and goals with other; 25% had identified health insurance options after retirement, prepared/reviewed plan for protecting and distributing assets and reviewed insurance coverage/property ownership.

Nutrition Connections 2004 Results

Christine Parshall

From 2003 to 2004 the statewide Food Stamp caseload rose 10%, one indication of an increase in food insecurity in New Hampshire. Food pantries also report an increase in the number of people requesting food assistance. These numbers include families with children, adults with disabilities, senior citizens, and the homeless. Nutrition Connections strives to reach people from a variety of low income households to help them stretch their food dollars, utilize available community services, improve the nutritional quality of their food choices, increase food preparation skills and increase food sanitation skills and knowledge.

Nutrition Connections reached over 167 adults from across Cheshire County. Programs were offered in home for some clients as well as at a variety of locations including the Winchester Learning Center, senior housing sites in Keene, Keene Housing Authority, Cheshire Academy, Stonewall Farm, Monadnock Family Services, Granite State Monarchs, and Elm Street Transitional Housing. Participants attended group sessions, individual home visits, and completed learn-by-mail activities. Approximately three quarters of these participants were enrolled in a lesson series of two or more sessions. The graduation rate was about seventy five per cent. At the completion of a Nutrition Connections program 38% of graduates ate two or more vegetable servings and two or more dairy servings, compared to 19% upon starting. 42% improved food resource management practices. "With the suggestions and recipes I have received from this program I have found meals to be less time consuming and more nutritious," stated one woman who received home visits.

Several statewide efforts contributed to Nutrition Connection's efforts to reach people across NH with food and nutrition information. Three "Smart Choices" newsletters were mailed to Food Stamp households, including 1459 in the Keene District office catchment area (Cheshire County and the western edge of Hillsborough County). Three public service announcements featuring "Miss Smarty" were aired on NH television stations. A statewide list of food pantries able to accept local donations of fresh produce was compiled and published.

In 2004, Nutrition Connections reached 314 youth in Cheshire County. Most were between the ages of five and twelve, and they came from all over the county. Almost all tasted at least one new food while participating in Nutrition Connections and activities and all practiced correct hand washing techniques. Sites included the

Alstead Elementary School, Youth Safe Haven (a Keene Housing Authority program), Produce for People (at Stonewall Farm), Jaffrey and Ashuelot Head Start, ELM/Winchester Learning Center Summer Program, and North Walpole School.

Over thirty five volunteers helped make Nutrition Connections programs successful this year. Their collective time added up to 20% of one full time staff equivalent. Volunteers served adults and youth in a variety of ways including classroom teachers supplementing their curriculum with Nutrition Connections lessons, After school program directors providing supplies for activities, Keene State College providing one practicum student who completes 100 hours of service to Nutrition Connections, Keene State College Dietetic interns assisting with a variety of program efforts, support workers at Monadnock Family services providing transportation and personal

support to children and adults involved in programs, Keene Housing Authority staff who were trained to teach Planning Ahead, Staying Ahead, a financial management curriculum for low income audiences.

CHESHIRE COUNTY FARM
2004 ANNUAL REPORT

The Farm had another busy year with many new challenges. Milk prices were stable throughout 2004, averaging \$15 per hundred. This was a \$5 increase over 2003. The herd average remained about the same, 24,000 pounds per cow.

In March a new vertical mixer wagon was purchased to mix the total mixed ration for the herd. This purchase made possible the lowering of purchased feed costs. In 2003 we spent \$80,546 for purchase feed. With the addition of the mixer wagon we were able to reduce purchased feed costs to \$63,462, a savings of \$17,084. The mixer wagon also allow us to make better use of our home grown forages.

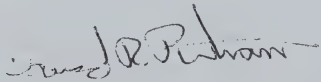
The crop season started out great. We had a period of warm weather early and were able to put the corn in the ground. It was up and doing great until summer rolled around with cooler temperatures and a lot of rain. This slowed the corn's growth to a point that we only averaged 16.9 tons per acre. This was down from nearly 20 tons per acre in 2003. Hay season was pretty much the same. Rain put the 1st crop behind schedule and limited the making of high quality feed.

The Farm hosted its annual Open Barn Day for the Granite State Dairy Promotions. The highlight this year was horse drawn wagon rides provided by Maple Hedge Farms. Drivers were Reggie Goodnow of Westmoreland and Tom Parmenter of Brattleboro VT.

With the retirement of Bob Simons in October 2003 we were without a herdsman for a couple of months. Mark Currier was hired in late December 2003. Mark moved on in October 2004 to pursue other endeavors. In December 2004, Matt Chickering was hired to fill the vacant Herdsman's position.

Thanks to my staff for all their hard work.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Dave Putnam", with a stylized flourish at the end.

Dave Putnam
Farm Manager



MASON + RICH

PROFESSIONAL ASSOCIATION

Certified Public Accountants

REPORT OF INDEPENDENT AUDITORS

Board of County Commissioners

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Cheshire, New Hampshire, as of and for the year ended December 31, 2004, which collectively comprise the County's basic financial statements as listed in the index. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Cheshire, New Hampshire as of December 31, 2004 and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2005, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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The management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 45 through 48 are not a required part of the basic financial statements but are supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Respectfully submitted,

Mason + Rich, P.A.

MASON + RICH PROFESSIONAL ASSOCIATION
Certified Public Accountants

February 25, 2005

**COUNTY MANAGEMENT'S
DISCUSSION AND ANALYSIS**

Cheshire County, New Hampshire

The discussion and analysis of Cheshire County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

Key financial highlights for 2004 are as follows:

- The County's total net assets increased by \$1,226,823 which represents an 11.6 % increase from 2003.
- At the end of the current year, the County's governmental funds reported a combined ending fund balance of \$6,596,107, an increase of \$1,222,044 from the prior year. Of this amount, \$6,286,051 is available for spending. (unreserved fund balance)
- At the end of the current year, unreserved fund balance for the General Fund was \$4,921,118, which represents a 26.1 % increase from the prior year and represents 38.7 % of total General Fund expenditures.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Statement of Net Assets and Statement of Activities

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The statement of activities presents information showing how the County's net assets changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

(Continued on next page)

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The change in net assets is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the statement of net assets and the statement of activities, the County is divided into three kinds of activities:

- **Governmental Activities**—Most of the County's programs and services are reported here, including General Government, Public Safety, Human Services, and the Cheshire County Farm. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities**—These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's Nursing Home is reported here.
- **Component Units**—Component units are legally separate organizations for which elected officials of the primary government are financially accountable. The component units are separate and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name. In 2003 the MD&A reported Southwestern New Hampshire District Fire Mutual Aid as a component unit of Cheshire County. Due to a change in the financial relationship effective January 1, 2004, they are no longer a component unit of Cheshire County. In the past, the County would provide Fire Mutual Aid with funding equal to 100% of their operating expenses and in turn they would be required to present their budget for approval to the County Delegation. Beginning in 2004, a vendor like relationship was created and the County now pays only for the value of services provided to the Cheshire County Towns and the City of Keene.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The funds of Cheshire County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to our residents. The County's major governmental fund is the General Fund.

Governmental Funds—Governmental funds are used to account for essentially the same functions reported as governmental activities on the government wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year-end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

(Continued on next page)

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Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government wide financial statements. By doing so, readers may better understand the long-term effect of the government's short term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major fund, identified earlier as the General Fund. Data from the other governmental funds, which include County Extension Service, Incentive Fund, Heman Chase Fund, Nursing Home Contribution Fund, Wellington Fund, Deeds Surcharge, Capital Reserve Funds, the Jaffrey District Court, the Jail Expansion Fund and the Honeywell Energy Project, are combined into a single, aggregated presentation.

Proprietary Funds—The County has one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses enterprise funds to account for the Nursing Home and Internal Service Health and Dental Insurance Fund.

Fiduciary Funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

Notes to the Financial Statements—The notes provide additional information that is essential to gaining a full understanding of the data provided on the government-wide and fund financial statements.

Other Information—In addition to the basic financial statements and accompanying notes, this report presents the General Funds actual revenues and expenditures as compared to the legally adopted budget.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$11,821,783 (\$10,188,680 in governmental activities and \$1,633,103 in business-type activities) as of December 31, 2004. This is an increase in net assets of \$1,228,408 over 2003.

(Continued on next page)

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Cheshire County, New Hampshire Net Assets
as of December 31, 2004 and December 31, 2003

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and Other assets	\$ 9,038,108	\$ 7,014,545	\$ (134,870)	\$ (843,759)	\$ 8,903,238	\$ 6,170,786
Direct Financing Lease A/R	3,100,695	3,330,503			3,100,695	3,330,503
Capital Assets, Net	6,166,823	5,997,075	4,859,339	4,559,012	11,026,162	10,556,087
Total Assets	18,305,626	16,342,123	4,724,469	3,715,253	23,030,095	20,057,376
Other liabilities	3,802,729	2,666,653	1,388,585	676,868	5,191,314	3,343,521
Long-Term Liabilities	4,314,217	4,792,665	1,702,781	1,327,815	6,016,998	6,120,480
Total Liabilities	8,116,946	7,459,318	3,091,366	2,004,683	11,208,312	9,464,001
Net Assets:						
Invested in capital assets, net of						
Related debt	3,947,789	3,969,551	3,116,621	3,438,312	7,064,410	7,407,863
Restricted	1,284,058	958,604			1,284,058	958,604
Unrestricted	4,956,833	3,954,650	(1,483,518)	(1,727,742)	3,473,315	2,226,908
Total Net Assets	\$ 10,188,680	\$ 8,882,805	\$ 1,633,103	\$ 1,710,570	\$ 11,821,783	\$ 10,593,375

Total net assets are presented in three categories: capital assets, restricted and unrestricted.

The largest portion of the County's net assets are related to capital assets (e.g., land and improvements, buildings and building improvements, machinery and equipment, vehicles, and infrastructure). The figure presented (\$7,064,410) is net of any related debt incurred to acquire those assets and represents 59.8% of total net assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the County's net assets (\$1,209,467 or 10.2 %) represents resources that are subject to restrictions on how they can be used. For Cheshire County, those restrictions include those related to limitations imposed by statutes governed by the State of New Hampshire, capital reserves and expendable trust funds.

The remaining portion (\$3,547,906 or 29.9 %) represents the part of net assets of Cheshire County that may be used to meet the County's ongoing obligations to citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements (unrestricted). As you will note, the unrestricted assets of the County business-type activities have a negative balance. Specifically, the business type activity for Cheshire County is the county owned Maplewood Nursing Home. Although the objective of the County is that the Nursing Home is self sustaining, Maplewood as well as all other County run nursing homes throughout the State of New Hampshire are facing deficits due to Medicaid reimbursement rates being lower than the actual cost to run the homes. The 2004 negative balance has decreased by \$244,244 over 2003 and can be attributed to the first time receipt of bed tax funds in 2004 instituted as a means to help offset the low Medicaid reimbursement rates.

(Continued on next page)

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The next statement provided shows the changes in net assets for 2003 and 2004.

Cheshire County, Changes in Net Assets

	Governmental Activities		Business Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Revenues:						
Program Revenues						
Charges for Services	\$ 2,553,776	\$ 3,034,131	\$ 8,491,281	\$ 8,259,461	\$ 11,045,057	\$ 11,293,592
Operating Grants and Contributions	651,354	592,701	2,075,358	300,923	2,726,712	893,624
Capital Grants and Contributions	0	0	0	0	0	0
Total Program Revenues	3,205,130	3,626,832	10,566,639	8,560,384	13,771,769	12,187,216
General Revenues						
Property Taxes	11,668,335	11,498,657	0	0	11,668,335	11,498,657
Gain(Loss) on Sale of Cap Assets	0	(2,900)	0	0	0	(2,900)
Capital Contributions	0	0	0	3,811	0	3,811
Interest and Investment	92,943	80,813	2,678	1,256	95,621	82,069
Other	148,954	389,716	7,353	17,432	156,307	407,148
Total General Revenue	11,910,232	11,966,286	10,031	22,499	11,920,263	11,988,785
Total Revenues	15,115,362	15,593,118	10,576,670	8,582,883	25,692,032	24,176,001
Transfers	(653,593)	(2,128,373)	653,593	2,128,373	0	0
Total Revenues and Transfers	14,461,769	13,464,745	11,230,263	10,711,256	25,692,032	24,176,001
Expenses:						
General Government	3,429,305	2,944,350	0	0	3,429,305	2,944,350
Public Safety	3,516,511	4,193,515	0	0	3,516,511	4,193,515
Human Services	5,674,999	5,252,991	0	0	5,674,999	5,252,991
Farm	331,014	361,844	0	0	331,014	361,844
Interest on Long Term Debt	205,650	225,279	0	0	205,650	225,279
Cheshire County Nursing Home	0	0	11,307,730	10,888,349	11,307,730	10,888,349
Total Expenses	13,157,479	12,977,979	11,307,730	10,888,349	24,465,209	23,866,328
Increase (Decrease) in Net Assets	1,304,290	486,766	(77,467)	(177,093)	1,226,823	309,673

Governmental Activities

Charges to users of governmental services made up \$2,553,776 or 16.9 % of total government revenues and include such services as provided by the Sheriff's Department, Department of Corrections, Court House Leases, Cheshire County Farm, Registry of Deeds, and Assisted Living Apartments. Additionally, the County receives revenue from operating grants and other contributions. In 2004 this totaled \$651,354 or 4.3% of total government revenue. Operating grants are used to fund expenses associated with programs such as the Domestic Violence Prosecutor, the Victim Witness Programs and services relating to Human Services. Other contributions included in the amount are reimbursement for the lease of the Jaffrey District Court House. This reimbursement is received as a direct offset to the annual long-term debt bond schedule.

Property tax revenues were the County's largest revenue, accounting for \$11,668,335 or 77.7 % of total government revenues. As noted previously, the County is able to recover some of its expenses through user charges, however, a great deal of County operations do not have revenue sources sufficient or available to meet their expenses and as a result are funded by Property Taxes.

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The single largest expense that is funded through the assessment of taxes is associated with the obligation towards Human Services. This area is responsible for paying the County's share of funding for those Cheshire County residents needing Medicaid assistance.

The analysis below for governmental activities indicates the total cost as well as the net cost of services. The net cost of services identifies the cost of those services supported by tax assessments and unrestricted revenues that are not directly related to specific charges for services or grants and contributions that would offset those services.

Cheshire County, Governmental Activities
For Period Ending December 31, 2004 and December 31, 2003

	Total Cost of Services		Net Cost of Services	
	2004	2003	2004	2003
General Government	\$ 3,429,305	\$ 2,944,340	\$ 2,013,743	\$ 1,442,696
Public Safety	3,516,511	4,193,515	2,511,838	2,835,298
Human Services	5,674,999	5,252,991	5,305,606	4,905,034
Farm	331,014	361,844	15,319	47,685
Interest Expense	205,650	225,279	105,843	120,434
Total Expenses	\$ 13,157,479	\$ 12,977,969	\$ 9,952,349	\$ 9,351,147

Business-Type Activities

Charges for services provided funding for 75.1% of total program expenses with the additional 18.4% coming from operating grants and contributions and 5.8% (\$653,593) subsidized by the general fund. The remaining .7 % is a result of a decrease in net assets by \$77,467 and is mainly attributed to the County's self funded health and dental insurance plan.

Although the Nursing Home should be self sustaining the high census level of Medicaid residents results in operating deficits. As noted in 2003, the state has not increased its overall budget and has applied a reduction formula referred to as "budget neutrality". This allows them to continue working with a fixed dollar amount of funds for their contribution to the program. However, in 2004 the federal government gave approval to the state allowing the implementation of a Provider Assessment charge to all New Hampshire nursing homes equal to 6% of net patient service revenues. In turn, the collection of the assessment is matched by Federal dollars and redistributed back to the Medicaid providers as a way to repay the shortfall realized by the budget neutrality factor. This approval was retroactive back to May, 2003 and provided Cheshire County with enhanced nursing home payments totaling a net receipt of \$922,137 of which \$376,239 represented retroactive payments for 2003 and the remaining \$545,898 for 2004.

In 2003, the Nursing Home required the general fund to subsidize the operations by 1.7% or \$2,128,373. As you can see by the accompanying statements and notation above, this subsidy has decreased to 5.8% or \$653,593 in 2004. This decrease in subsidy can be attributed to the new provider assessment, however recognition should be made that the current year decrease is inflated by the 2003 retroactive payment. Additionally, while the enhanced Nursing Home payment does help to offset some of the rate deficit, it still falls short of covering the costs of patient care.

(Continued on next page)

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Financial Analysis of County Funds

Cheshire County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year.

As of December 31, 2004, the County's governmental funds reported a combined ending fund balance of \$6,596,107, an increase of \$1,222,044 in comparison with the prior year. Approximately 95.3 % of this total (\$6,286,051) constitutes unreserved fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior year (\$310,056).

The General Fund is the primary operating fund of the County. At the end of 2004, unreserved fund balance was \$4,921,118, while total fund balance was \$5,164,371. Cheshire County has established an objective to maintain an unreserved fund balance between 5 % and 10 % of the County's total budget. Due to an unanticipated surplus in 2004, unreserved fund balance ended at 19.40 % of the 2004 budget. The 2005 proposed budget applies \$1,622,233 of unreserved fund balance in order to obtain a fund balance nearer the upper level of the recommended fund balance.

Cheshire County's General fund unreserved fund balance increased by \$1,018,797 during 2004. Key factors of this increase are as follows:

- Human Service Surplus. Board and Care of Children expenses were under in 2004 due to a smaller client census and rates to care for the clients lower than expected. This accounted for \$228,612 of the \$258,736 surplus recognized in this cost center.
- Revenues for the Registry of Deeds came in over budget as an increased number of documents continued during 2004. As noted in 2003, low interest rates continued the prompting of housing sales and refinancing of existing mortgages. As a result, the Registry of Deeds revenue came in over budget by 83,663
- The net receipt of \$922,136.45 in Enhanced Nursing Home Payments in 2004 was the major factor to the increase in fund balance for 2004. Although this receipt was applied to the Nursing Home, the impact was a reduction to the General Fund subsidy ultimately having a direct impact to the use of fund balance.

Enterprise Funds

The enterprise fund (Maplewood Nursing Home) focuses on the changes to net assets, much as it might be for a private-sector business.

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The unrestricted net assets of Maplewood Nursing Home at December 31, 2004 were at deficit levels of (\$1,479,639). Unrestricted net assets decreased by \$210,702 over the 2003 level of (\$1,690,341). Although the new Nursing Home Supplemental payment has caused the negative balance to decrease, deficit levels continue as Medicaid reimbursement rates still fall short of covering the cost of patient care.

As a government owned nursing home, the census of Medicaid residents tends to be much higher than private nursing home levels. As of December 31, 2004, approximately 74% of the nursing home census consisted of residents needing Medicaid assistance in order to pay for their care. Based on the 2003 Medicaid cost report for Maplewood, the allowable per diem rate was calculated to be \$186.96. However, the actual paid per diem as of December 31, 2004 was \$123.39 or \$63.57 per day short of allowable 2003 costs. The new supplemental payment provided additional reimbursement averaging \$31.45 per day. This additional payment still leaves the allowable per diem rate short by approximately \$32.12 per day. In order to minimize the need to subsidize Maplewood Nursing Home, Cheshire County worked within a budget that other than increases to wages and unavoidable benefit increases, was nearly level funded from 2003. However, because nearly 50% of the expenses at the Nursing Home is within the payroll and benefit lines, the overall cost to run the Nursing Home inevitably continues to increase the need for financial support from the general fund thus contributing to the deficit levels of unrestricted net assets.

Budgetary Highlights

By State statute, the County Convention must adopt its annual budget within 90 days after the beginning of the county's fiscal year. Therefore, any new purchases or proposed changes to the budget are not executed until the budget is adopted. On March 8, 2004, the County Convention adopted the 2004 budget. At every level of the budget process, great strides were taken in order to produce a budget that would require as little an increase to the taxpayers of Cheshire County. As adopted, the bottom line was up .91% (\$229,274) and taxes to be raised were 1.48 % higher than 2003 (\$169,678) for a total taxes to be raised of \$11,668,335.

Areas that contributed to the increase included the following:

- Increased Health insurance costs associated with the Cheshire County's self-funded Health insurance plan. In 2004, increases to both employer and employee totaling \$243,705 were necessary in order to fund the plan at the 2004 anticipated claim levels. This was an increase to the county share of \$198,884 over 2003 funding.
- A rise in the retirement rates accounted for approximately \$86,501 in additional expenses over 2003. This increase was a result of the State of New Hampshire Retirement System passing on a 42 % increase in the county's contributions toward Group I rates and a 48 % increase in the Group II rates effective July 1, 2003. The 2003 budget did see an impact due to this increase, however, the effect was for a six-month period. In 2004, the budget realized the full effect of the increases for the entire year.
- Merit and a 2.0 % cost of living adjustment to employee wages accounted for approximately \$318,356 in increased costs for payroll and benefits.

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- The impact of a wage and salary survey conducted in 2003 was factored into the 2004 budget. Adjustments to salary ranges increased the payroll and mandated benefit lines by approximately \$160,868.
- Registry of Deeds revenues were increased in the 2004 budget in order to account for the higher revenues that has been seen. This budget increase provided an additional \$145,000 in budgeted revenues.
- Additional revenues totaling \$103,000 were budgeted for the Department of Corrections. The major reason for this increase was higher Federal Inmate Reimbursement projections for 2004.

As it has been in many other budget years, supplemental budgets were brought before the delegation and approved. On May 17, 2004 and September 21, 2004, the county budget was amended in several areas. Highlights of those amendments are as follows:

- Federal Grant Revenues were increased by \$24,690 in order that the Sheriff Department could accept Homeland Security grant funds in order to purchase a third console for Dispatch. Respectively, the capital equipment expense line for the Sheriff's Department was increased in order to expend the funds for that purpose.
- Another amendment included transferring Capital Reserve funds in the amount of \$50,000 in order to pay for necessary work to the Connecticut riverbank in Westmoreland due to storm erosion caused by flooding in 2003.
- An additional transfer from Capital Reserves was approved for \$30,000 in order to continue work on the Downtown space needs issue.
- Finally, \$150,000 was approved at the September 17, 2004 meeting to transfer from Surplus into Capital Reserves for future costs associated with the riverbank erosion project. This transfer needed to take place, as the county will be responsible for 35% of the balance for costs associated to fix the erosion caused by the flooding. This transfer provided the commitment needed by the Army Corps of Engineers that the County would fund its share.

As a result of the supplemental budget, the total budget increased to \$25,624,657 up 1.93% (\$484,414) over the 2003 budget. The amendments did not have an impact on taxes to be raised.

Capital Assets and Debt Administration

Capital Assets—The County's investment in capital assets for governmental and business-type activities as of December 31, 2004, was \$11,026,162 (net of accumulated depreciation). This investment in capital assets includes land and improvements, water and waste water systems, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and construction in progress.

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Major capital asset events during 2004 included an energy efficiency project for all County buildings, excluding the Correctional Facility. As of December 31, 2004 the project was still in progress at approximately 70% complete. Once complete, this project will provide physical plant improvements totaling \$1,070,543 of which reduced energy costs should be seen over a 15 year period in order to make the project budget neutral. Additionally an upgrade to the sprinkler system at the Court House was in progress at year-end.

Major projects and or equipment that was completed or purchased include \$58,675 for a new boiler at the Correctional Facility; \$45,327 to remove sludge at the Waste Water Treatment Plant lagoons; \$15,000 for the purchase of a trade mixer wagon for the County Farm; \$48,646 for two (2) new Sheriff cruisers and \$24,670 to purchase a third console for the Dispatch Center.

Note IV (c) – Detailed Notes on All Funds (Capital Assets) provides additional information about capital asset activity during 2004.

Long-Term Debt—At December 31, 2004, the County had total general obligation bonded debt outstanding of \$5,215,000. Of this amount, \$2,210,000 is for the Jaffrey District Court House and is to be reimbursed by the State of New Hampshire by way of a lease agreement. The annual payment schedule for the lease corresponds with the bond schedule principal and interest payments. Other outstanding debt includes the construction of the original Nursing Home which will be retired in 2005 leaving outstanding debt on this bond issue of \$100,000. The construction of a twenty-(20) apartment Assisted Living Unit and the expansion of the Nursing Home’s therapy departments had debt remaining as of December 31, 2004 of \$2,480,000. Additionally, bonds for the study of a new County Jail had a balance remaining of \$425,000 at year-end. The County’s long term bonded debt decreased by \$565,000 (9.8%) during 2004.

The current outstanding debt for Cheshire County is as follows:

Cheshire County, Outstanding Debt December 31, 2004				
	Governmental Activities	Business-type Activities	Total	
Nursing Home	\$ -	\$ 100,000	\$	100,000
Nursing Home Expansion	1,661,600	818,400		2,480,000
Jail Expansion Study	425,000			425,000
Jaffrey District Court House	2,210,000			2,210,000
Total Outstanding Debt	\$ 4,296,600	\$ 918,400	\$	5,215,000

In 2003 it was noted that the Cheshire County Delegation authorized debt for a new jail in the amount of \$23,500,000. Due to site issues, this vote was rescinded at a delegation meeting held on September 21, 2004. This is still a very active subject and although there continues to be issues regarding where the new jail will be built, it is anticipated that a new bond vote will be authorized in 2005. However, due to the continued delays of this project the request for funding will be closer to \$29,000,000.

Although not authorized, the potential for acquiring or developing additional space for the Registry of Deeds and other Keene departments is being investigated. A project of this size would require the need to issue additional long-term debt.

(Continued on next page)

BASIC FINANCIAL STATEMENTS

In 2005 the first lease payment associated with the Energy Efficiency Project will be due. Total principal for this project is \$1,070,543 and will be paid over a twelve (12) year period. The first principal payment is due May 30, 2005 for \$84,000.

Moody's has assigned an underlying rating of A1 to the outstanding general obligation debt of the County. However, a Aaa credit rating was listed on the bonds since the County purchased insurance to guarantee bond payments.

In addition to the bonded debt, the County's long-term obligations include \$373,970 in compensated absences. These compensated absences are an accumulation of unused accrued vacation and holiday time at December 31, 2004.

Economic Factors

- The Cheshire County unemployment rate for December, 2004 was 2.5%, which compares favorably to the State's rate of 3.1 %, the New England rate of 4.0% and the national rate of 5.1 %. The County rate also compares favorably to that of December 2003 at which time was 3.0 %.
- Most recent equalized assessed valuations of property used for appropriating Cheshire County's 2004 taxes were \$5,450,896,103. This is an increase over the prior year assessed valuations of 14.45% or \$688,049,305.
- There were no outstanding taxes due from any Cheshire County towns or city as of December 31, 2004.

Requests for Information

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the governments' finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Sheryl A. Trombly, Finance Director, 33 West Street, Keene, NH 03431.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF NET ASSETS
DECEMBER 31, 2004

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and Equivalents	\$ 6,596,863	\$ 162,028	\$ 6,758,891
Temporary Investments	544,136	-	544,136
Accounts Receivable	227,029	628,975	856,004
Due from Other Governments	205,498	394,192	599,690
Internal Balances	1,410,351	(1,410,351)	-
Inventories	-	90,286	90,286
Deposits and Prepaids	54,231	-	54,231
Direct Financing Lease Receivable	3,100,695	-	3,100,695
Capital Assets:			
Land and Improvements	166,586	565,334	731,920
Water System	315,855	763,030	1,078,885
Wastewater System	166,232	430,289	596,521
Buildings and Improvements	10,483,299	6,090,140	16,573,439
Furniture, Equipment and Vehicles	1,013,876	1,522,614	2,536,490
Construction in Progress	549,483	583,892	1,133,375
Less Accumulated Depreciation	(6,528,508)	(5,095,960)	(11,624,468)
Total Capital Assets, Net of Depreciation	6,166,823	4,859,339	11,026,162
TOTAL ASSETS	\$ 18,305,626	\$ 4,724,469	\$ 23,030,095
LIABILITIES			
Accounts Payable	\$ 1,163,460	\$ 383,989	\$ 1,547,449
Contract Payable	-	-	-
Retainage Payable	-	-	-
Accrued Liabilities	117,829	165,365	283,194
Due to Other Governments	1,216,985	205,999	1,422,984
Deferred Revenue	917,785	366,252	1,284,037
Non-current Liabilities:			
Portion Due or Payable Within One Year:			
Bonds and Notes Payable	362,700	202,300	565,000
Capital Lease Obligations	23,970	64,680	88,650
Portion Due or Payable After One Year:			
Bonds and Notes Payable	3,933,900	716,100	4,650,000
Capital Lease Obligations	233,390	759,638	993,028
Compensated Absences	146,927	227,043	373,970
Total Liabilities	8,116,946	3,091,366	11,208,312
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	3,947,789	3,116,621	7,064,410
Restricted for:			
Juvenile Incentive	308,762	-	308,762
Deeds Surcharge	46,566	-	46,566
Capital Reserves	827,237	-	827,237
Other Purposes:			
Expendable	26,902	-	26,902
Unrestricted (Deficit)	5,031,424	(1,483,518)	3,547,906
Total Net Assets	\$ 10,188,680	\$ 1,633,103	\$ 11,821,783

The Accompanying Notes Are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2004

	Program Revenues			Net (Expense) Revenue and		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Change in Net Assets	
					Governmental Activities	Business-type Activities
<i>Functions/Programs</i>						
General Government	\$ 3,429,305	\$ 1,333,235	\$ 82,327	\$ -	\$ (2,013,743)	\$ -
Public Safety	3,516,511	904,846	99,827	-	(2,511,838)	-
Human Services	5,674,999	-	369,393	-	(5,305,606)	-
Farm	331,014	315,695	-	-	(15,319)	-
Interest on Long-term Debt	205,650	-	99,807	-	(105,843)	-
Total Governmental Activities	13,157,479	2,553,776	651,354	-	(9,952,349)	-
<i>Business-type Activities</i>						
Cheshire County Nursing Home	11,307,730	8,491,281	2,075,358	-	-	(741,091)
Total Business-type Activities	11,307,730	8,491,281	2,075,358	-	-	(741,091)
Total	\$ 24,465,209	\$ 11,045,057	\$ 2,726,712	\$ -	(9,952,349)	(10,693,440)
<i>General Revenues:</i>						
Taxes:						
County Tax Assessment					11,668,335	-
Payment in Lieu of Taxes					-	-
Grants and Contributions Not Restricted to Specific Purposes					-	-
Interest and Investment Earnings					92,943	2,678
Miscellaneous					148,954	7,353
Gain (Loss) on Sale of Capital Assets					-	-
Capital Contributions					-	-
Transfers					(653,593)	653,593
Total General Revenues, Special Items and Transfers					11,256,639	663,624
					1,304,290	(77,467)
Change in Net Assets					8,884,390	1,710,570
Net Assets, Beginning of Year, Restated					\$ 10,188,680	\$ 11,821,783
Net Assets, End of Year						

The Accompanying Notes are an Integral Part of This Financial Statement

FUND FINANCIAL STATEMENTS

COUNTY OF CHESHIRE, NEW HAMPSHIRE
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2004

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Equivalents	\$ 5,937,046	\$ 659,817	\$ 6,596,863
Temporary Investments	822	543,309	544,131
Accounts Receivable	223,830	3,199	227,029
Due From Other Funds	2,248,531	820,332	3,068,863
Due From Other Governments	101,115	104,383	205,498
Inventories	-	-	-
Deposits and Prepaids	54,231	-	54,231
TOTAL ASSETS	\$ 8,565,575	\$ 2,131,040	\$ 10,696,615
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 1,045,736	\$ 96,626	\$ 1,142,362
Contracts Payable	-	-	-
Retainage Payable	-	-	-
Accrued Liabilities	82,386	-	82,386
Due to Other Funds	1,068,287	563,398	1,631,685
Due to Other Governments	1,177,705	39,280	1,216,985
Deferred Revenues	27,090	-	27,090
Total Liabilities	3,401,204	699,304	4,100,508
Fund Balances			
Reserved for Encumbrances	189,022	66,803	255,825
Reserved for Prepaids	54,231	-	54,231
Unreserved, Reported in:			
General Fund	4,921,118	-	4,921,118
Nonmajor Special Revenue Funds	-	317,081	317,081
Nonmajor Capital Projects Funds	-	1,047,852	1,047,852
Total Fund Balances	5,164,371	1,431,736	6,596,107
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,565,575	\$ 2,131,040	\$ 10,696,615

(Continued)

The Accompanying Notes Are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET
ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2004

<i>Total Governmental Fund Balances (Previous Page)</i>	\$ 6,596,107
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*Amounts Reported for Governmental Activities in the Statement
of Net Assets Are Different Because of the Following Items:*

Capital Assets Used in Governmental Activities Are NOT Financial Resources and Therefore Are Not Reported in the Funds.	6,166,823
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Other Long-term Assets Are NOT Available to Pay for Current-period Expenditures and Therefore Are Saved in the Funds.	3,100,695
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Internal Service Funds Are Used by the County to Charge the Costs of Health and Dental Insurance; the Assets and Liabilities of the Internal Service Fund Are Included in Business-Type Activities. This Amount Represents the Amount Due to the Business-Type Activities at Year End.	(26,827)
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Some Accounts Payable Are Not Due and Payable in the Current Period and Therefore Are NOT Reported in the Funds.	(21,633)
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Long-term Deferred Revenues Related to Long-term Receivables Are NOT Recognized on Statement 3.	(890,695)
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Long-term Liabilities, Including Bonds Payable and Unmatured Compensated Absences, Are NOT Due and Payable in the Current Period and Therefore Are NOT Reported in the Funds.	(4,735,790)
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<i>Net Assets of Governmental Activities - Statement 1</i>	<u><u>\$ 10,188,680</u></u>
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COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	General Fund	Other Governmental Funds	Totals Governmental Funds
Revenues			
Taxes	\$ 11,668,335	\$ -	\$ 11,668,335
Intergovernmental	427,508	208,766	636,274
Charges for Services	2,181,748	38,984	2,220,732
Interest	77,406	16,353	93,759
Other	734,275	7,781	742,056
Total Revenues	15,089,272	271,884	15,361,156
Expenditures			
Current:			
General Government	2,957,747	723,455	3,681,202
Public Safety	3,252,389	184,328	3,436,717
Farm	270,166	-	270,166
Human Services	5,424,321	-	5,424,321
Capital Outlay	295,882	-	295,882
Debt Service	623,455	-	623,455
Total Expenditures	12,823,960	907,783	13,731,743
Excess (Deficiency) of Revenues Over Expenditures	<u>2,265,312</u>	<u>(635,899)</u>	<u>1,629,413</u>
Other Financing Sources (Uses)			
Proceeds of Long-term Debt	-	246,224	246,224
Operating Transfers In	198,165	814,183	1,012,348
Operating Transfers (Out)	<u>(1,382,400)</u>	<u>(283,541)</u>	<u>(1,665,941)</u>
Total Other Financing Sources (Uses)	<u>(1,184,235)</u>	<u>776,866</u>	<u>(407,369)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>1,081,077</u>	<u>140,967</u>	<u>1,222,044</u>
Fund Balances, Beginning of Year	<u>4,083,294</u>	<u>1,290,769</u>	<u>5,374,063</u>
Fund Balances, End of Year	<u>\$ 5,164,371</u>	<u>\$ 1,431,736</u>	<u>\$ 6,596,107</u>

(Continued)

The Accompanying Notes are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2004

<i>Net Change in Fund Balances - Total Governmental Funds (Previous Page)</i>	\$ 1,222,044
Governmental Funds Report Capital Outlays During the Year as Expenditures on Statement 4. However, on the Statement of Activities (Statement 2) the Cost of Those Capital Items Has Been Capitalized and the Cost is Then Allocated Over Their Estimated Useful Lives and Reported as Depreciation Expense. This is the Amount by Which Capital Outlay Expenditures Exceeded Depreciation Expense for the Current Fiscal Year.	169,748
Repayment of Bond and Capital Lease Principal is an Expenditure in the Governmental Funds (Statement 4), But the Repayment Reduces Long-term Liabilities in the Statement of Net Assets (Statement 2). Also, Bond Proceeds Are Recognized as an Other Financing Source on Statement 4 But Are Recorded as a Long-term Liability in Statement of Net Assets (Statement 2). This is the Amount of the Repayments and Bond or Capital Lease Proceeds That Have Been Charged to Long-Term Liabilities.	120,694
Accrued Interest on the Governmental Funds is Reported as Expenditure When Paid, While Interest Due at Year End is Recognized as a Liability and an Expense on the Statement of Net Assets (Statement 2). This is the Net Amount by Which Accrued Interest Expense Exceeded Interest Expense for the Current Fiscal Year	3,907
Estimated Compensated Absences Payable Are Recognized When Payable on Statement 4 But Are Accrued and Expensed at Year End on Statement 2.	(31,040)
Revenues Reported in the Statement of Activities That do NOT Provide Current Financial Resources are NOT Reported as Current Year's Revenues in the Funds Statement.	32,485
Revenues Received From the State of New Hampshire and Reported on the Funds Statements are Reported as Receipt Against Direct Financing Lease Receivable on Statement 2.	(229,807)
Internal Service Fund is Used by The County to Charge the Costs of Dental and Health Insurance to Individual Funds. The Net Cost of the Internal Service Fund is Reported in Governmental Activities	17,077
Jaffrey District Courthouse Capital Projects Fund is NOT Reported in Governmental Activities. Rather, the Courthouse is Reported as a Direct Financing Lease.	(818)
<i>Change in Net Assets of Governmental Activities (Statement 2)</i>	<u>\$ 1,304,290</u>

COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2004

	Business- Type Activities Cheshire County Nursing Home	Governmental Activities Internal Service Fund
ASSETS		
Current Assets		
Cash and Equivalents	\$ 200	\$ 161,828
Accounts Receivable - Services	628,975	-
Due From Other Funds	575,062	-
Due From Other Governments	394,192	-
Inventories	90,286	-
Deposits and Prepaids	-	-
Prepaid Expenses	-	-
Total Current Assets	1,688,715	161,828
Capital Assets:		
Land and Improvements	565,334	-
Water System	763,030	-
Wastewater System	430,289	-
Buildings and Improvements	6,090,140	-
Vehicles	141,280	-
Furniture and Equipment	1,381,334	-
Construction in Progress	583,892	-
Less Accumulated Depreciation	(5,095,960)	-
Total Capital Assets, Net of Depreciation	4,859,339	-
TOTAL ASSETS	\$ 6,548,054	\$ 161,828
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 206,713	\$ 177,276
Accrued Liabilities	165,365	-
Due to Other Funds	1,996,982	15,258
Due to Other Governments	205,999	-
Deferred Revenues	366,252	-
Current Portion of Long-Term Debt:		
Obligations Under Capital Lease	64,680	-
Bonds Payable	202,300	-
Total Current Liabilities	\$ 3,208,291	\$ 192,534

(Continued)

The Accompanying Notes Are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2004

	Business- Type Activities Cheshire County Nursing Home	Governmental Activities Internal Service Fund
Noncurrent Liabilities:		
Obligations Under Capital Lease	\$ 759,638	\$ -
Bonds Payable	716,100	-
Compensated Absences	227,043	-
Total Noncurrent Liabilities	1,702,781	-
Total Liabilities	4,911,072	192,534
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	3,116,621	-
Unrestricted (Deficit)	(1,479,639)	(30,706)
Total Net Assets	1,636,982	(30,706)
TOTAL LIABILITIES AND NET ASSETS	\$ 6,548,054	\$ 161,828

Reconciliation to Government-wide Statement of Net Assets (Statement 1):

Total Net Assets Business-type Activities Above	\$ 1,636,982
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Business-type Activities	(3,879)
Total Net Assets Business-type Activities, Statement 1	<u>\$ 1,633,103</u>

The Accompanying Notes Are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	Business- type Activities <u>Cheshire County Nursing Home</u>	Governmental Activities <u>Internal Service Fund</u>
<i>Operating Revenues</i>		
Intergovernmental	\$ 922,137	\$ -
Charges for Services:		
Medicaid	4,309,509	-
Private	1,598,275	-
Atypical Unit	1,503,342	-
Medicare A and B (PT, OT, Speech and Other), Respite Care, Nurse Practitioner and Adult Day Care	721,617	-
Other User Charges	-	1,677,255
Total Charges for Services	<u>8,132,743</u>	<u>1,677,255</u>
Miscellaneous:		
Meals	358,538	-
Medicaid Proportional Share	1,153,221	-
Other	7,353	-
Total Miscellaneous	<u>1,519,112</u>	<u>-</u>
<i>Total Operating Revenues</i>	<u>10,573,992</u>	<u>1,677,255</u>
<i>Operating Expenses</i>		
General Operating Expenses:		
Administration	1,375,615	1,629,335
Quality Improvement	55,218	-
Learning Center	-	-
Finance	225,959	-
Computer Operations	137,736	-
Dietary	1,115,906	-
Nursing	4,397,624	-
Atypical Unit	953,371	-
Facilities	840,752	-
Waste Water Treatment Plant	11,960	-
Water Treatment Plant	14,279	-
Laundry and Linens	293,367	-
Housekeeping	398,049	-
Nurse Practitioner	101,121	-
Activities	236,402	-
Social Services	138,333	-
Occupational Therapy	168,192	-
Physical Therapy	308,850	-
Other Services for Residents	147,699	-
Depreciation	362,148	-
<i>Total Operating Expenses</i>	<u>11,282,581</u>	<u>1,629,335</u>
Operating Income (Loss)	<u>(708,589)</u>	47,920

(Continued)

The Accompanying Notes are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	Business- type Activities Cheshire County Nursing Home	Governmental Activities Internal Service Fund
<i>Non-Operating Revenues (Expenses)</i>		
Interest Expense	\$ (55,993)	\$ -
Interest Revenue	-	2,679
Bad Debt Recovery (Expense)	-	-
<i>Net Non-Operating Revenues (Expenses)</i>	<u>(55,993)</u>	<u>2,679</u>
Income (Loss) Before Contributions and Transfers	<u>(764,582)</u>	<u>50,599</u>
<i>Contributions and Transfers In (Out)</i>		
Capital Contributions	-	-
Transfers In	653,593	-
Transfers (Out)	-	-
<i>Total Contributions and Transfers In (Out)</i>	<u>653,593</u>	<u>-</u>
Change in Net Assets	(110,989)	50,599
Total Net Assets, Beginning of Year	<u>1,747,971</u>	<u>(81,305)</u>
Total Net Assets, End of Year	<u>\$ 1,636,982</u>	<u>\$ (30,706)</u>

Reconciliation to Government-wide Statement of Activities (Statement 2):

Change in Net Assets Business-type Activities, Above	\$ (110,989)
Adjustments to Reflect the Consolidation of Internal Service Fund Activity Related to Business-type Activities	33,522
Change in Net Assets Business-type Activities, Statement 2	<u>\$ (77,467)</u>

COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	Business- type Activities Cheshire County Nursing Home	Governmental Activities Internal Service Fund
<i>Cash Flows from Operating Activities</i>		
Cash Received From Services	\$ 9,876,356	\$ -
Cash Received from Other Governments	527,945	-
Cash Received for Interfund Services Provided	-	1,677,255
Cash Paid to Suppliers	(4,442,942)	(1,599,489)
Cash Paid to Employees	(6,271,345)	-
Other Expenses	(147,699)	-
<i>Net Cash Provided (Used) by Operating Activities</i>	(457,685)	77,766
<i>Cash Flows From Noncapital Financing Activities</i>		
Transfers From Other Funds	653,593	-
Loans From/(to) Other Funds	(96,449)	-
<i>Net Cash Provided (Used) for Capital and Related Financing Activities</i>	557,144	-
<i>Cash Flows From Capital and Related Financing Activities</i>		
Principal Paid on Bonds	(202,300)	-
Interest Paid on Bonds	(59,002)	-
Capital Lease Proceeds	824,318	-
Acquisition of Improvements and Equipment	(662,475)	-
<i>Net Cash Provided (Used) for Capital and Related Financing Activities</i>	(99,459)	-
<i>Cash Flows From Investing Activities</i>		
Interest Earnings on Investments	-	2,679
<i>Net Cash Provided (Used) From Investing Activities</i>	-	2,679
Increase (Decrease) in Cash and Cash Equivalents	-	80,445
Cash and Cash Equivalents at Beginning of Year	200	81,383
Cash and Cash Equivalents at End of Year	<u>\$ 200</u>	<u>\$ 161,828</u>
<i>Noncash Transactions</i>		
Additions to Capital Assets from Contributions	<u>\$ -</u>	<u>\$ -</u>
Capital Assets Retired During the Year	<u>\$ -</u>	<u>\$ -</u>

(Continued)

The Accompanying Notes are an Integral Part of This Financial Statement

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	Business- type Activities	Governmental Activities
	Cheshire County Nursing Home	Internal Service Fund
<i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</i>		
Operating Income (Loss)	\$ (708,589)	\$ 47,920
<i>Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by Operating Activities</i>		
Depreciation	362,148	-
Other Operating Expenses	-	-
Change in Operating Assets and Liabilities:		
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(141,751)	-
Inventories	(24,064)	-
Deposits and Prepaids	7,477	3,709
Due From Other Funds	-	-
Due From Other Governments	(394,192)	-
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	59,925	26,388
Due to Other Funds	-	(251)
Accrued Liabilities	(210,818)	-
Due to Other Governments	205,999	-
Deferred Revenues	366,252	-
Compensated Absences	19,928	-
<i>Total Adjustments</i>	<u>250,904</u>	<u>29,846</u>
<i>Net Cash Provided (Used) by Operating Activities</i>	<u>\$ (457,685)</u>	<u>\$ 77,766</u>

COUNTY OF CHESHIRE, NEW HAMPSHIRE
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2004

	Agency Funds						Community Development Block Grants
	Sheriff's Escrow and Fees	Register of Deeds	Nursing Home Residents' Funds	Nursing Home Activity Fund	Jail Canteen/ Recreation Fund	Hemenway Fund	
ASSETS							
Cash	\$ 7,368	\$ 633,055	\$ 57,297	\$ 4,319	\$ 28,782	\$ -	\$ 426
Temporary Investments	-	-	-	-	-	-	-
Accounts Receivable	-	8,719	-	-	-	-	-
Due From Other Governments	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 7,368</u>	<u>\$ 641,774</u>	<u>\$ 57,297</u>	<u>\$ 4,319</u>	<u>\$ 28,782</u>	<u>\$ -</u>	<u>\$ 426</u>
LIABILITIES							
Accounts Payable	\$ 6,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 426
Due to Other Governments	-	641,774	-	-	-	-	-
Due to Specific Individuals	-	-	-	-	-	-	-
and/or Groups:							
To Judiciary Participants	394	-	-	-	-	-	-
To Inmates	-	-	-	-	28,782	-	-
To Nursing Home Residents/Activities	-	-	57,297	4,319	-	-	-
TOTAL LIABILITIES	<u>\$ 7,368</u>	<u>\$ 641,774</u>	<u>\$ 57,297</u>	<u>\$ 4,319</u>	<u>\$ 28,782</u>	<u>\$ -</u>	<u>\$ 426</u>

The Accompanying Notes are an Integral Part of This Financial Statement

I | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Cheshire County is a “body corporate” under the authority of the New Hampshire Revised Statute Annotated (RSA) 23:1. The elected County Commissioners are responsible for the day to day operation of the County. The Commissioners present a recommended budget to the County Convention for approval annually. Either the budget approved by the Convention or, if the Convention does not approve the budget timely, the Commissioners’ original budget as submitted for approval, becomes effective for the year.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. County taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. County tax assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

County tax assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

General Fund – This is the County’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Non-Major Governmental Fund Types:

Special Revenue Funds – accounts for specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes. Non-major special revenue funds include the Extension Service, Juvenile Placement, Heman Chase, Nursing Home Donations, Wellington and Deeds Surcharge Fund

Capital Projects Funds – account for financial resources segregated for the acquisition or construction of major capital facilities. Non-major capital projects funds include the various Capital Reserve Funds, the Jail Expansion Fund, and the Honeywell Energy Improvement Project.

The County reports the following major proprietary funds:

County Nursing Home – This fund accounts for the activities of the Cheshire County Nursing Home. The fund accounts for the operation and maintenance of the Nursing Home, which provides intermediate and skilled nursing care to the elderly residents of the County. The Home is funded through a combination of Medicaid and Medicare funds from the Federal Government, the State and the County as well as from the private resources of the residents of the Home.

Additionally, the County reports the following fund types:

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations or other governments. The fiduciary funds of the County are agency funds (Sheriff’s Escrow and Fees, Register of Deeds, Nursing Home Residents’ Fund, Jail Canteen/Recreation Fund, Hemenway Fund and Community Development Block Grants). Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. Fiduciary funds are NOT included in the government-wide financial statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the County Nursing Home function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's Nursing Home are charges to residents for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

1. DEPOSITS AND INVESTMENTS

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The County Treasurer is authorized by State statutes and with the approval of the Commissioners to invest excess funds "in obligations of the U.S. Government, in participation units in the public deposit investment pool established pursuant to RSA 383:22, in savings bank deposits of banks incorporated under the laws of the State of New Hampshire or in certificates of deposits and repurchase agreements of banks incorporated under the laws or in the State of New Hampshire or in banks recognized by the State Treasurer".

The County participates in the New Hampshire Public Deposit Investment Pool established in accordance with RSA 383:22-24. Total funds on deposit with the Pool at year-end were \$24,372 and are reported as temporary investments on the General Fund (\$822) and other governmental funds (\$23,550). Based on GASB Statement No. 3, investments with the Pool are considered to be unclassified. At this time, the Pool's investments are limited to "short-term U.S. Treasury and U.S. Government Agency obligations, State of New Hampshire and New Hampshire municipal obligations, certificates of deposit from A1/P1-rated banks, money market mutual funds (maximum of 20% of portfolio), overnight to 30-day repurchase agreements (no limit, but collateral level at 102% in U.S. Treasury and Government Agency instruments delivered to Custodian) and reverse overnight repurchase agreements with primary dealers or dealer banks."

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

The Pool is operated under contract with a private investment advisor, approved by the State Bank Commissioner and the advisory committee created under RSA 383:24. The Pool is a 2a7-like pool, which means that it is not registered with the Securities Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Cost and market value of the Pool's investments are the same.

2. RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The Department of Revenue Administration, based upon data reported on the assessment of properties by the cities and towns in the County, annually sets the County tax assessment for each community within the County. Based upon the assessments from the Department of Revenue Administration, the County Treasurer issues a warrant to the cities and towns in the County for them to assess, collect and pay to the County the County tax assessment. The tax is due annually by December seventeenth with interest at ten percent chargeable on any unpaid amounts.

3. INVENTORIES AND PREPAID ITEMS

All inventories are valued at cost using the first-in/ first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and vehicles, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years for governmental activities. For business-type activities (County Nursing Home) the County uses a threshold of \$500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the County during the current fiscal year was \$319,758.

Property, plant, and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	5-40
Vehicles	5-15
Equipment	4-25

5. COMPENSATED ABSENCES

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation may be accrued to one and one-half times the employee's maximum. Any vacation accrued beyond this amount will be forfeited.

Employees are allowed to take a given holiday on or after the holiday. Annual accrued holiday time must be taken within sixty days of the new calendar year. Consequently, the County accrues accumulated unpaid vacation pay and recognizes the expense in the period the pay is earned.

Sick leave accumulates at the rate of up to ten days per year and may be accumulated to a maximum of sixty days.

Under the current sick leave policy, upon accumulation of sixty days sick leave, all sick leave days over sixty days are paid to the employee at the end of the year, at the rate of one-half day per day accumulated. Employees may not carry over such compensation to subsequent years nor are they eligible to be paid for any unused sick leave time should they terminate their employment.

All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of any debt used for the acquisition, construction or improvement of those capital assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provision on enabling legislation or through external restrictions imposed by creditors, grantors or law or regulations of other governments. The County reports the following restricted net asset categories:

Juvenile Incentive – Under New Hampshire RSA (Revised Statutes Annotated) 170-G:4 XVI the State's Division for Children and Youth Services shall distribute funds to cities, towns and counties to "develop and maintain prevention programs, court diversion programs and alternative dispositions for juveniles other than placements outside of the home."

Deeds Surcharge – Under New Hampshire RSA 478:17-j, the Register of Deeds, with approval of the County Convention may impose a \$2 surcharge which may "only be used for the purchase, rental or repair of equipment" and which "shall be a separate nonlapsing account, and the moneys in the account shall not be available for use as general revenue of the county."

Capital Reserves – Under New Hampshire RSA 35:1, the County may raise and appropriate funds for the "construction, reconstruction or acquisition of a specific capital improvement, or the acquisition of a specific item or specific items of equipment." Such funds that have been appropriated by the County Convention are reported as restricted net assets at year end.

II | RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds."

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

The details of this difference are as follows:

Bonds Payable	\$ (4,296,600)
Add: Accrued Interest Payable on Bonds and Capital Leases at Fiscal Year End	(34,903)
Capital Leases Payable	(257,360)
Compensated Absences	<u>(146,927)</u>
Net Adjustments to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	<u>\$ (4,735,790)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, on the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital Outlay	\$ 626,073
Depreciation Expense	<u>(456,325)</u>
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ (169,748)</u>

Another element of that reconciliation states that “repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Also bond proceeds are recognized as an other financing source on Statement 4 but are recorded as a long-term liability in Statement of Net Assets.”

The details of this difference are as follows:

Debt Issued or Incurred:

Capital Lease Financing	\$ (246,225)
Issuance of General Obligation Bonds	

Principal Repayments:

General Obligation Debt	362,700
Payment on Capital Lease	<u>4,219</u>
Net Adjustment to Decrease Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ 120,694</u>

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

III | STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. The County observes the following procedures in establishing the budgetary data reflected in the financial statements:

1. The County Commissioners deliver or mail to each member of the County Convention and to the chairman of the Board of Selectmen in each Town and the Mayor of each City within the County and to the Secretary of State prior to December 1 annually their itemized budget recommendations together with a statement of actual expenditures and income for at least nine months of the preceding fiscal year.
2. Within ten to twenty days after the mailing of the budget, a public hearing is held on the budget estimates as submitted by the Commissioners.
3. Twenty-eight days must elapse after the mailing of the estimated operating budget before the County Convention may vote on the appropriations for the ensuing budget period.
4. The County Convention must adopt its annual budget no later than March 31.
5. The final form of the County Budget is filed with the Secretary of State's office and the Commissioner of Revenue Administration no later than 30 days after the adopting of the budget.
6. The Commissioners are authorized to transfer budget amounts from department to department. However, any revisions that alter the total expenditures of any fund must be approved by the Executive Committee of the delegation.
7. Except for the payment of judgments rendered against the County, expenditures cannot exceed the total appropriations which the County Convention has voted.
8. The Commissioners may apply to the County Convention for a supplemental appropriation to be made subsequent to the adoption of the annual County budget. The budget reflected in the financial statements includes one supplemental appropriation approved by the delegation.
9. Formal budgetary integration is employed as a management control device during the year for the General Fund special Revenue Fund (Extension Service) and Proprietary Fund (County Nursing Home). The County legally adopts only one budget for the funds.
10. Budget appropriations lapse at year-end except for any outstanding encumbrances or approved appropriation carryovers.
11. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the Proprietary Fund are adopted on a basis, which is not consistent with GAAP. The budget for the Proprietary Fund is prepared on the modified accrual basis while GAAP requires the full accrual basis.

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

IV | DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

At year end the carrying amount of the County's deposits (cash and equivalents, temporary investments and restricted assets) was \$8,009,897 and the bank balance was \$8,376,086. Of the bank balance, \$213,425 was covered by federal depository insurance, \$7,847,644 was collateralized by segregated assets at the Federal Reserve Bank of Boston or New York pledged to Cheshire County on the bank's books and \$315,017 was uninsured and uncollateralized.

For purposes of the statement of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

B. Receivables

Receivables as of year-end for the County's individual major funds, non-major and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Other Funds	Total
<i>Receivables:</i>			
County Taxes	\$ -	\$ -	\$ -
Accounts	223,830	3,199	227,029
Intergovernmental	<u>101,115</u>	<u>104,383</u>	<u>205,498</u>
Gross Receivables	324,945	107,582	432,527
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 324,945</u>	<u>\$ 107,582</u>	<u>\$ 432,527</u>

Revenues of the County Nursing Home are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Gross Receivables	\$ 628,975
Uncollectibles	<u>-</u>
Net Total Receivables	<u>\$ 628,975</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

C. Capital Assets

Capital asset activity for the year ended was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Governmental Activities:</i>				
Capital Assets, Not Being Depreciated:				
Land	\$ 166,586	\$ -	\$ -	\$ 166,586
Construction in Progress	<u>190,746</u>	<u>358,737</u>	<u>-</u>	<u>549,483</u>
Total Capital Assets, Not Being Depreciated	<u>357,332</u>	<u>358,737</u>	<u>-</u>	<u>716,069</u>
Capital Assets, Being Depreciated:				
Land Improvements	-	-	-	-
Water System	315,855	-	-	315,855
Wastewater System	152,634	13,598	-	166,232
Buildings and Improvements	10,430,714	52,585	-	10,483,299
Equipment and Vehicles	<u>812,723</u>	<u>201,153</u>	<u>-</u>	<u>1,013,876</u>
Total Capital Assets Being Depreciated	<u>11,711,926</u>	<u>267,336</u>	<u>-</u>	<u>11,979,262</u>
Less: Accumulated Depreciation for:				
Land Improvements	-	-	-	-
Water System	(121,954)	(5,201)	-	(127,155)
Wastewater System	(45,532)	(10,528)	-	(56,060)
Buildings and Improvements	(5,618,110)	(346,956)	-	(5,965,066)
Equipment and Vehicles	<u>(286,587)</u>	<u>(93,640)</u>	<u>-</u>	<u>(380,227)</u>
Total Accumulated Depreciation	<u>(6,072,183)</u>	<u>(456,325)</u>	<u>-</u>	<u>(6,528,508)</u>
Total Capital Assets, Being Depreciated, Net	<u>5,639,743</u>	<u>(188,989)</u>	<u>-</u>	<u>5,450,754</u>
Governmental Activities Capital Assets, Net	<u>\$5,997,075</u>	<u>\$ 169,748</u>	<u>\$ -</u>	<u>\$6,166,823</u>

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Business-type activities:</i>				
Capital Assets, Not Being Depreciated:				
Land	\$ 75,211	\$ -	\$ -	\$ 75,211
Construction in Progress	-	583,892	-	583,892
Total Capital Assets, Not Being Depreciated	75,211	583,892	-	659,103
Capital Assets, Being Depreciated:				
Land Improvements	490,123	-	-	490,123
Water System	755,562	7,468	-	763,030
Wastewater System	395,011	35,278	-	430,289
Buildings and Improvements	6,066,944	23,196	-	6,090,140
Equipment and Vehicles	1,509,973	12,641	-	1,522,614
Total Capital Assets, Being Depreciated	9,217,613	78,583	-	9,296,196
Less Accumulated Depreciation for:				
Land Improvements	(295,256)	(26,023)	-	(321,279)
Water System	(350,687)	(31,067)	-	(381,754)
Wastewater System	(114,038)	(15,296)	-	(129,334)
Buildings and Improvements	(3,034,925)	(190,240)	-	(3,225,165)
Equipment and Vehicles	(938,906)	(99,522)	-	(1,038,428)
Total Accumulated Depreciation	(4,733,812)	(362,148)	-	(5,095,960)
Total Capital Assets, Being Depreciated, Net	4,483,801	(283,565)	-	4,200,236
Business-Type Activities Capital Assets, Net	\$4,559,012	\$ (300,327)	\$ -	\$4,859,339

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:

General Government	\$ 157,349
Public Safety (Sheriff and Corrections)	236,416
Human Services	
Farm	62,560
Total Depreciation Expense – Governmental Activities	\$ 456,325

Business-Type Activities:

Cheshire County Nursing Home	\$ 362,148
Total Depreciation Expense – Business-Type Activities	\$ 362,148

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances at year end is as follows:

Due to/from Other Funds:

Receivable Fund:	Payable Fund	Amount
General	Nonmajor Governmental Funds	\$ 236,291
General	Internal Service Fund	15,258
Nonmajor Governmental Funds	General	820,332
Nonmajor Governmental Funds	Cheshire County Nursing Home	-
General	Cheshire County Nursing Home	1,996,982
Cheshire County Nursing Home	Nonmajor Governmental Funds	327,108
Cheshire County Nursing Home	General	247,954
	Total	<u>\$ 3,643,925</u>

Interfund Transfers:

	Transfer In			
	General	Nonmajor Governmental	Cheshire County Nursing Home	Total
Transfer Out:				
General	\$ -	\$ 814,183	\$ 568,214	\$1,382,400
Nonmajor Governmental Funds	283,541	-	-	283,541
Cheshire County Nursing Home	-	-	-	-
Totals	<u>\$ 283,541</u>	<u>\$ 814,183</u>	<u>\$ 568,217</u>	<u>\$ 1,665,941</u>

E. Leases

Capital Leases

The County's General Fund has entered into an agreement for the leases of farm equipment and also energy improvements. These lease agreements qualify as capital leases for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date.

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

The assets acquired through capital leases are as follows:

	Governmental Activities
<i>Asset:</i>	
Vehicles	\$ 22,000
Energy Improvements	824,318
Less: Accumulated Depreciation	<u>(3,667)</u>
Total	<u>\$ 842,651</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of year end were as follows:

Year Ending December 31,	Governmental Activities
2005	\$ 139,526
2006	142,604
2007	141,205
2008	143,245
2009	<u>146,295</u>
Subtotal	712,875
2010-2014	535,450
2015-2019	<u>147,346</u>
Total Minimum Lease Payment	1,395,671
Less: Amount Representing Interest	<u>(313,993)</u>
Present Value of Minimum Lease Payments	<u>\$1,081,678</u>

Operating Leases

The County does have operating leases for computer equipment and also for office space. The computer leases require the County to enter into maintenance agreements for the computer equipment and maintain the equipment in good working order, repair and maintenance. Future minimum annual rental payments are as follows:

Year Ending December 31,	Governmental Activities
2005	\$ 28,990
2006	16,970
2007	<u>8,684</u>
Total	<u>\$ 54,644</u>

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Operating lease expenditures totaled \$54,584 for the year and are reported under General Governmental expenditures.

F. Long-Term Debt

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The original amount of general obligation bonds issued in prior years and outstanding at the beginning of the fiscal year was \$5,680,000. During the year, no general obligation bonds were issued.

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Governmental Activities	Amount
\$4,400,000 – 1997 Assisted Living/Nursing Home Improvements Bonds, Due in Annual Installments of \$325,000 to \$310,000 Through August 2012; Interest at 4.5% to 5.10%.	\$ 1,661,600
\$2,600,000 – 2001 Jaffrey District Court Bonds, Due in Annual Installments of \$130,000 Through October 2021; Interest at 3.875% to 4.85%.	2,210,000
\$500,000 – 2001 Correctional Facility Design Bonds, Due in Annual Installments of \$25,000 Through October 2021; Interest at 3.875% to 4.85%.	<u>425,000</u>
Total	<u>\$ 4,296,600</u>
Business-Type Activities	Amount
\$4,223,000 – 1975 Nursing Home Bonds, Due in Annual Installments of \$150,000 to \$100,000 Through November 2005; Interest at 7.20%.	\$ 100,000
\$4,400,000 – 1997 Assisted Living/Nursing Home Improvements Bonds, Due in Annual Installments of \$325,000 to \$310,000 Through August 2012; Interest at 4.50% to 5.10%.	<u>818,400</u>
Total	<u>918,400</u>
Total Bonds and Note Payable	<u>\$ 5,215,000</u>

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2005	\$ 362,700	\$ 193,790	\$ 202,300	\$ 46,995
2006	362,700	178,022	102,300	34,987
2007	362,700	162,254	102,300	30,179
2008	362,700	146,486	102,300	25,370
2009	362,700	130,510	102,300	20,460
2010-2014	1,398,100	414,163	306,900	30,997
2015-2019	775,000	183,365	-	-
2020-2021	310,000	22,475	-	-
Total	<u>\$ 4,296,600</u>	<u>\$ 1,431,065</u>	<u>\$ 918,400</u>	<u>\$ 188,988</u>

Changes in Long-Term Liabilities

Long-term liability activity for the year ended was as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 4,659,300	\$ -	\$ (362,700)	\$ 4,296,600	\$ 362,700
Capital Leases	15,354	246,225	(4,219)	257,360	23,970
Compensated Absences	<u>115,887</u>	<u>31,040</u>	<u>-</u>	<u>146,927</u>	<u>N/A</u>
Governmental Activity Long-Term Liabilities	<u>\$ 4,790,541</u>	<u>\$ 277,265</u>	<u>\$ (366,919)</u>	<u>\$ 4,700,887</u>	<u>\$ 386,670</u>
<i>Business-Type Activities:</i>					
General Obligation Bonds	\$ 1,020,700	\$ -	\$ (102,300)	\$ 918,400	\$ 202,300
Capital Leases	-	824,318	-	824,318	64,680
Compensated Absences	<u>207,115</u>	<u>19,928</u>	<u>-</u>	<u>227,043</u>	<u>N/A</u>
Business-Type Activity Long-Term Liabilities	<u>\$ 1,227,815</u>	<u>\$ 844,246</u>	<u>\$ (102,300)</u>	<u>\$ 1,969,761</u>	<u>\$ 266,980</u>

The County issues tax anticipation notes annually in advance of the payment of the County tax assessments in November and December by the various towns and cities in the County. These notes are necessary to meet the cash flow needs during the fiscal year, which include the County's normal operating budget. Short-term debt activity for the year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
County Tax Anticipation Notes Payable	<u>\$ -</u>	<u>\$ 6,500,505</u>	<u>\$ 6,500,505</u>	<u>\$ -</u>

(Continued on next page)

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

V | OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County, along with numerous other municipalities in the State, is a member of two public entity risk pools in the State currently operating a common risk management and insurance program for which all political subdivisions in the State of New Hampshire are eligible to participate. The pools provide coverage for workers' compensation, unemployment and property liability insurance. As a member of the property liability and workers' compensation pools, the County shares in contributing to the cost of and receiving benefits from a self-insured pooled management program. Contributions paid for the fiscal year totaled \$240,192 for property liability coverage with no unpaid contributions at year-end. Deductible claims for the fiscal year totaled \$3,266.

The pool agreement permits the pool to make additional assessments to members should there be a deficiency in pool assets to meet its liabilities. At this time, the pool foresees no likelihood of an additional assessment for past years.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grant agencies. The County participates in a federally assisted contract for services with the Department of Health and Human Services Medicaid (Title XIX) - through the New Hampshire Department of Health and Human Services and also receives CDBG grant funds from the New Hampshire Office of State Planning as well as grant funds from the New Hampshire Office of the Attorney General.

The contract and the grants are subject to program compliance audits by the grantors or their representatives. The audits of the contract and the grants for or including the fiscal year have not yet been reviewed by the grantor. Accordingly, the County's compliance with applicable contract requirements will be established at some future date after the grantor's review. The amount if any, of expenditures which may be disallowed by the contracting agencies cannot be determined at this time although the County expects such amounts if any, to be immaterial.

C. Employee Pension Plan

PLAN DESCRIPTION - Substantially all County employees participate in the State of New Hampshire Retirement System (the System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All County full-time employees are eligible to participate in the System. The System is divided into two employee groups: Group I which includes all employees except fire fighters and police officers and Group II which is for fire fighters and police officers (including County Sheriff's Departments). The New Hampshire Retirement System issues annually a publicly available financial report that includes financial statements and required supplemental information for the System. That report may be obtained by writing to the New Hampshire Retirement System, 4 Chenell Drive, Concord, NH.

(Continued on next page)

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

GROUP I EMPLOYEES - who retire at or after age 60 but before age 65 are entitled to retirement benefits equal to 1.667% of the average of their three highest paid years of compensation, multiplied by their years of service. At age 65 the benefit is recalculated at 1.50% of AFC multiplied by their years of service credit. Earlier retirement allowances at reduced rates are available after age 50 with 10 years of service. Benefits fully vest upon reaching 10 years of service or attaining age 60.

GROUP II EMPLOYEES - who attain age 45 with 20 years or more of service are entitled to retirement benefits equal to 2.5% of the average of their three highest paid years of service, multiplied by their years of service, not to exceed 40. Benefits vest ratably beginning after 10 years of service.

The System also provides death and disability benefits. Cost-of-living increases have been periodically granted to retirees by the State Legislature.

FUNDING POLICY - The System is funded by contributions from both the employees and employers. Group I employees are required by State statute to contribute 5.0 percent of gross earnings. Group II employees are required to contribute 9.3 percent of their gross earnings. The employer must, under the same statute, contribute monthly at an actuarially determined rate. The current rates are 5.90% (2.64% for teachers and regular employees, 7.87% for police officers and 13.44% for firefighters) of covered payroll. The contribution requirement for the year was \$954,802, which consisted of \$497,644 from the County and \$457,158 from employees. The County's contributions to the System for the years ended December 31, 2003 and 2002 were \$394,287 and \$310,616, respectively, which were equal to the amount required under State statute to be contributed for each year.

D. Commitment – Direct Financing Lease and Contracts

The County has entered into a direct financing lease agreement with the State of New Hampshire for a term of 20 years following construction of the Jaffrey District Court Building. The semi-annual payments the County will receive are to be equal to the annual interest and principal payments on the bond. The State will occupy the District Court Building and incur all direct costs associated with the building for the entire period. The County has agreed to sell the District Court Building to the State for a purchase price of \$1.00 at the end of the lease. Future minimum lease payments to be received are as follows at year end:

Year Ended December 31,	Amount
2005	\$ 224,770
2006	219,732
2007	214,694
2008	209,658
2009	204,620
Thereafter	<u>2,027,221</u>
Total	<u>\$ 3,100,695</u>

(Continued on next page)

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COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

E. Internal Service Health and Dental Fund – Self Insurance

During the year 2000, the County established a Health and Dental Insurance Fund (an internal service fund) to account for and finance its self-insurance program. Under this program, the Health and Dental Insurance Fund provides coverage for up to a maximum of \$35,000 annually for each individual plan participant. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all others risks of loss.

All funds of the County participate in the program and make payments to the Health and Dental Insurance Fund based on actuarial estimates of the amounts needed to pay prior and current-year claims. The claims liability reported in the fund at year end is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information is available prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Funds claims liability amount were:

Year Ended December 31,	Beginning of Year Liability	Current Years Claims and Changes in Estimates	Claims Payments	Balance at Year End
2000	\$ -	\$ 890,066	\$ (769,289)	\$ 120,777
2001	120,777	1,314,425	(1,254,481)	180,721
2002	180,721	1,592,188	(1,611,939)	160,970
2003	160,970	2,007,854	(2,017,936)	150,888
2004	150,888	2,241,420	(2,215,032)	177,276

F. Commitments

The County had the following contractual commitments outstanding at year end.

Project	Spend to Date	Remaining Commitment
Energy Improvements Project	\$ 758,301	\$ 338,450
Jail Expansion – Site Evaluation	90,000	90,000
Total	<u>\$ 848,301</u>	<u>\$ 428,450</u>

G. Restatement of Beginning Net Assets – Governmental Activities

Beginning Net Assets – Governmental as Previously Reported	\$ 8,882,805
Correction of Prior Year's Capital Lease Payable	<u>1,585</u>
Beginning Net Assets – Governmental as Restated	<u>\$ 8,884,390</u>

REQUIRED SUPPLEMENTAL INFORMATION

COUNTY OF CHESHIRE, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2004

	Original Adopted Budget	Prior Year's Encumbrances	Supplemental Budgets	Budget Transfers	Final Adopted Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ 11,668,335	\$ -	\$ -	\$ -	\$ 11,668,335	\$ 11,668,335	\$ -
<i>Taxes</i>							
<i>Intergovernmental</i>							
Alternative Sentencing Mental Health Center	75,000	-	-	-	75,000	70,593	(4,407)
Federal Grants	10,000	-	24,690	-	34,690	20,234	(5,456)
Victim Witness Grant	25,000	-	-	-	25,000	25,000	-
Domestic Violence Prosecutor Grant	34,259	-	-	-	34,259	34,161	(98)
District Court Victim Witness	21,768	-	-	-	21,768	21,337	(431)
Bailiff Reimbursement	112,000	-	-	-	112,000	86,555	(25,445)
Drug Rebates	98,000	-	-	-	98,000	147,128	49,128
Case Management Reimbursement	13,500	-	-	-	13,500	13,500	-
Total Intergovernmental	389,527	-	24,690	-	414,217	427,508	13,291
<i>Charges for Services</i>							
Register of Deeds	800,000	-	-	-	800,000	883,663	83,663
Sheriff's Department Fees	50,500	-	-	-	50,500	51,692	1,192
Sheriff's Department Travel	26,600	-	-	-	26,600	30,423	3,823
Sheriff's Department Other	40,790	-	-	-	40,790	33,316	(7,474)
House of Corrections	403,000	-	-	-	403,000	467,477	64,477
County Farm	322,400	-	-	-	322,400	315,971	(6,429)
Assisted Living and Transportation Aid	412,600	-	-	-	412,600	399,206	(13,394)
Total Charges for Services	2,035,890	-	-	-	2,055,890	2,181,748	125,858
<i>Interest</i>							
Interest	60,000	-	-	-	60,000	77,406	17,406
Total Interest	60,000	-	-	-	60,000	77,406	17,406
<i>Other</i>							
Rental of Property	9,036	-	-	-	9,036	8,991	(45)
Unified and Jaffrey Court Leases	558,744	-	-	-	558,744	559,624	880
Workers Compensation Insurance Dividend	18,055	-	-	-	18,055	20,076	2,021
County Attorney	2,000	-	-	-	2,000	2,391	391
Miscellaneous	52,500	-	-	-	52,500	143,193	90,693
Total Other	640,335	-	-	-	640,335	734,275	93,940
Fund Balance Used for Prior Year's Encumbrances	-	129,266	-	-	129,266	-	(129,266)
Appropriated From Fund Balance	-	-	150,000	-	150,000	-	(150,000)
Fund Balance Used to Reduce the Tax Rate	1,060,751	-	-	-	1,060,751	-	(1,060,751)
Total Revenues	\$ 15,874,838	\$ 129,266	\$ 174,690	\$ -	\$ 16,178,794	\$ 15,889,272	\$ (1,089,522)

(Continued)

GAAP is the budgetary basis used in the preparation of this schedule.

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Exhibit 1

(Continued)

COUNTY OF CHESHIRE, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2004

	Original Adopted Budget	Prior Year's Encumbrances	Supplemental Budgets	Budget Transfers	Final Adopted Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES							
<i>General Government:</i>							
Commissioners' Office	\$ 197,231	\$ -	\$ -	\$ -	\$ 197,231	\$ 190,863	\$ 6,368
Prior Year's Encumbrances	-	-	-	-	-	-	-
Treasurer	7,749	-	-	-	7,749	7,893	(146)
County Delegation	9,150	-	-	-	9,150	9,400	(240)
County Attorney	372,727	-	-	-	372,727	330,002	21,825
Prior Year's Encumbrances	-	105	-	-	-	105	-
Prosecutor's Grant	76,690	-	-	(227,992)	76,690	75,239	933
Finance	340,227	-	-	-	340,227	107,232	4,533
Victims Witness Grant	55,112	-	-	-	55,112	55,301	11
District Court Victim Witness	14,422	-	-	-	14,422	44,977	(555)
Computer Operations	218,449	-	-	(146,629)	72,220	67,414	4,806
Prior Year's Encumbrances	-	-	-	-	-	-	-
Register of Deeds	462,043	-	-	-	462,043	451,259	8,784
Medical Referrals	13,400	-	-	-	13,400	18,431	(5,031)
Human Resources	107,732	-	-	-	107,732	72,809	34,923
Prior Year's Encumbrances	-	1,854	-	-	-	1,854	-
Personnel Administration	631,622	-	-	-	631,632	630,715	917
Maintenance of Facilities	451,496	-	-	(33,864)	417,632	443,724	(26,092)
Prior Year's Encumbrances	-	795	-	-	-	795	-
Animal Living	311,017	-	-	-	311,017	277,850	33,167
Safety	105,608	-	-	-	105,608	108,842	(3,234)
Conservation District	32,785	-	-	-	32,785	32,785	-
Contingency	-	-	-	-	-	8,201	(8,201)
Total General Government	3,438,470	2,756	-	(408,443)	3,032,779	2,937,747	75,032
<i>Public Safety:</i>							
Sheriff's Department and Dispatch	872,204	-	-	-	872,204	809,520	62,784
Prior Year's Encumbrances	-	6,808	-	-	-	6,808	-
House of Corrections	1,985,421	-	-	-	1,987,421	2,045,230	(57,809)
Fire Mutual Aid	386,811	-	-	-	386,811	390,831	(2,020)
Total Public Safety	3,250,536	6,808	-	-	3,257,344	3,252,889	4,455
<i>County Farm</i>							
	276,725	-	-	-	276,725	270,166	6,559
<i>Business Services:</i>							
Clerk Manager	18,000	-	-	-	18,000	21,071	(3,071)
Human Services	5,247,920	-	-	-	5,247,920	4,989,184	258,736
Prior Year's Encumbrances	-	17,050	-	-	-	14,166	2,884
WCS Community Care	89,000	-	-	-	89,000	89,000	-
Women's Center	6,000	-	-	-	6,000	6,000	-
Wendell Center	5,750	-	-	-	5,750	5,750	-
Kennebec Senior Center, Inc.	6,000	-	-	-	6,000	4,500	1,500
Pilot Project	2,500	-	-	-	2,500	-	2,500
Kennebec Citizens	6,500	-	-	-	6,500	6,500	-
Moundnick Development Services	35,000	-	-	-	35,000	35,000	-
Moundnick Family Services	80,000	-	-	-	80,000	80,000	-
Alternative Sentencing Program	197,940	-	-	-	197,940	173,150	24,790
Total Human Services	\$ 5,694,610	\$ 17,050	\$ -	\$ -	\$ 5,711,660	\$ 5,424,331	\$ 287,329

COUNTY OF CHESHIRE, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2004

	Budget	Prior Year's Encumbrances	Supplemental Budgets	Approved Transfers	Final Adopted Budget	Actual	Variance Favorable (Unfavorable)
Capital Outlay							
Downtown Campus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Comptons	59,662	-	-	-	59,662	56,292	3,370
Shrine	50,000	-	-	-	71,316	71,316	1,316
Shrine - Equipment	45,000	-	24,660	-	74,660	8,348	37,552
Courthouse	-	-	-	-	-	-	-
Administration Building	-	-	-	-	-	-	-
Administration Building - Equipment	47,000	-	50,000	-	97,000	10,049	86,951
Wastewater Treatment Plant - Equipment	4,700	-	-	-	4,700	4,153	547
Water Treatment Plant - Equipment	1,600	-	-	-	1,300	1,316	164
Water Treatment Plant - Equipment	69,250	-	-	-	69,250	69,250	-
House of Corrections - Equipment	6,150	-	-	-	6,150	2,310	3,900
Farm - Equipment	15,000	-	-	-	15,000	-	-
Prior Year's Encumbrances	102,654	-	-	-	102,654	53,822	38,832
Total Capital Outlay	297,212	102,654	74,660	-	470,556	292,882	174,674
Debt Service							
Principal on Long-Term Debt	565,000	-	-	(302,300)	362,700	363,700	202,300
Interest:							
Long-Term Debt	248,661	-	-	(59,007)	309,658	309,518	59,101
Transit Commission Notes	120,000	-	-	-	120,000	31,192	68,808
Total Interest	388,661	-	-	(59,007)	329,658	260,715	127,906
TOTAL EXPENDITURES	13,907,314	139,266	74,660	(669,748)	13,441,422	13,823,960	878,765
Excess (Deficiency) of Revenue Over Expenditures	1,987,624	-	100,000	6,667,748	2,737,372	2,263,312	(472,060)
Operating Transfers In							
Special Revenue Funds:							
From Extension Service	-	-	-	-	-	4,165	4,165
Total Special Revenue Funds	-	-	-	-	-	4,165	4,165
Capital Projects Funds:							
From Capital Reserves	215,850	-	50,000	(71,850)	194,000	194,000	-
Total Capital Projects Funds	215,850	-	50,000	(71,850)	194,000	194,000	-
Proprietary Funds:							
From Capital Reserves	-	-	-	-	-	-	-
Total Operating Transfers In	215,850	-	50,000	(71,850)	194,000	198,165	4,165
Operating Transfers (Out)							
Special Revenue Funds:							
To County Extension Service	(188,637)	-	-	-	(188,637)	(187,898)	739
To Debt Service	-	-	-	-	-	-	-
Total Special Revenue Funds	(188,637)	-	-	-	(188,637)	(187,898)	739
Capital Projects Funds:							
To Capital Reserves	(476,285)	-	(150,000)	-	(626,285)	(626,285)	-
Total Capital Projects Funds	(476,285)	-	(150,000)	-	(626,285)	(626,285)	-
Enterprise Funds:							
To Nursing Home	(1,318,452)	-	-	(597,891)	(2,116,450)	(585,217)	1,542,233
Total Operating Transfers (Out)	(2,153,474)	-	(150,000)	(597,891)	(2,931,372)	(1,382,400)	1,548,972
Total Other Financing Sources (Used)	(1,987,624)	-	(100,000)	(669,748)	(2,737,372)	(1,164,235)	1,553,137
							(Continued)

O&AP is the budgetary basis used in the preparation of this schedule.

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Exhibit 1
(Continued)

COUNTY OF CHESHIRE, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2004

	Budget	Prior Year's Encumbrances	Supplemental Budgets	Approved Transfers	Final Adopted Budget	Actual	Variance Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	1,081,077	1,081,077
Fund Balances, Beginning of Year	4,083,294	-	-	-	4,083,294	4,083,294	-
Fund Balances, End of Year	<u>\$ 4,083,294</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,083,294</u>	<u>\$ 5,164,371</u>	<u>\$ 1,081,077</u>

MINUTES
Cheshire County Delegation
Executive Committee Meeting
2004 Budget Review
Monday, January 5, 2004 9:00 AM
33 West Street, Keene, NH

PRESENT: Representatives Allen; Dexter; Eaton; Espiefs; Hunt; Laurent; Liebl; Mitchell; I. Pratt; Richardson; Slack; Webber; Commissioners Zerba, Moore and Sistare; County Administrator Wozmak; Sheryl Trombly Finance Director; Terry Warren Ex. Asst. to Commissioners.

Chairman Hunt called the meeting to order at 9:07 AM.

Chairman Hunt thanked those present and asked Commissioner Zerba to give an overview of the 2004 budget. Commissioner Zerba gave the overview and reviewed some of the changes in the Commissioners' office this past year, which included the fact that Department Managers report to Administrator Wozmak on a day to day basis rather than to the Commissioners.

Rep. Espiefs asked about the Proshare Funds. Commissioner Zerba stated that the money is distributed in June and has not yet been distributed. There was further discussion about the funds.

Chairman Hunt led the discussion the outside agencies. His concern is that the agencies go to individual towns as well as the county for funding. Rep. Espiefs asked if the double dipping results in a surplus or do they need the funds from both sources. If they do not have a surplus, and need the funds, then it is not considered double dipping. Rep. Mitchell asked if the agencies are going to be present this morning. Administrator Wozmak stated that they have already appeared before the joint Commissioners/Executive Committee meeting that was held earlier in the budget process at the request of the Executive Committee. Chairman Hunt stated that he thought the funds should come from the county rather than both the towns and the county. He feels that the funds coming from both places is a disservice to the taxpayers.

The committee expressed its wish to meet with the agencies nonetheless and Terry Warren left the meeting to make phone calls to the agencies.

The Committee met with Ken Jue of Monadnock Family Services (MFS) and asked questions to clarify their billing process to clients and how the request to towns and the county is handled.

Liz Sayre from the Monadnock Center for Violence Prevention (formerly Women's Crisis Services) stated that she does not go to individual towns for funding except for Keene. Liz was thanked for her presentation and response to questions.

Barbara Duckett, Richard Skiels and Susan Ashworth from Home Health Care, Hospice and Community Services (HCS) were present to answer any questions of the committee. Susan Ashworth stated that the funding from the towns started over a hundred years ago, starting with the visiting nurse program and health care services. The agencies approached the county in the 1980's and requested funding. She stated that the formula for requesting funds from the towns is complicated, but that going to individual towns helps them to stay in touch with the towns and know what their needs are. There were no further questions from the committee.

MINUTES
Cheshire County Delegation
Executive Committee Meeting
2004 Budget Review
Monday, January 5, 2004 9:00 AM
33 West Street, Keene, NH

Chris Callahan reviewed some of the information about the Keene Senior Center and the towns their membership is drawn. It was suggested that the agency consider a capital campaign or other fundraising efforts.

Carol Byrnes from Monadnock Developmental Services (MDS) was present to answer any questions of the committee. Chairman Hunt reviewed the request for funding from MDS. They stated that they do not received funding from the city or the towns. Chairman Hunt thanked her for her presentation.

A break was taken at 11 AM.

The members returned to the meeting at 11:10 AM.

Rep. Slack moved that we adopt the funding requests as they were in the 2003 budget, decreasing the Keene Senior Center to \$5500, Rep. Mitchell seconded. Discussion followed. The motion was amended to reduce Monadnock Region Substance Abuse by \$2000 to \$5750 as they requested. Commissioner Zerba stated that the funding for HCS was brought to the 2002 level because the 2003 funding was as determined by the executive committee and the Commissioners felt that the 2002 level was best for the county budget. **The motion failed 5 yes, 7 no.**

Rep. Allen moved to restore all funding to the 2003 level except for Monadnock Substance Abuse, which is to be at \$5750, for a total of \$148,250 for the outside agency budget. Rep. Webber seconded. Discussion followed. A vote was taken and the motion failed 5 to 7.

Rep. Webber moved to continue the discussion about finalizing and equalizing the process for agencies to request county funding. There was no second on the motion.

Rep. Pratt stated that she has a problem with the committee's issue on funding from the county. She does not know of any town that has complained about the agencies coming to them in addition to the county.

Rep. Mitchell suggested that all agencies and towns be brought together to discuss how much money should be appropriated from the county and the towns, and to clarify the funding issues. **Rep. Mitchell moved that we appropriate \$148,250 for the outside agencies for the 2004 budget and that we select members from the executive committee to meet with all towns in Cheshire County, with the outside agencies present, to work out a plan to establish funding needed for the 2005 budget. Rep. Slack seconded.** Discussion followed. **Motion failed 5 to 7.**

As a result of the inability to determine a consensus on an appropriation, the discussion was tabled.

Evelyn Hubal, Register of Deeds was present for her budget review. She asked that the payroll line not be considered until the wage and salary report is distributed. She has different recommendations regarding the wage grades for her department and will make copies for the committee. Rep. Slack

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asked if her recommendations were given to Don Tyler, she stated that they were not. She was asked if she gave them to the Commissioners, she stated that it was.

Chairman Hunt asked why the printing, binding and books line is low. Register Hubal stated that there is a space issue and books will have to be put into the vault. Rep. Eaton asked if the elected officials were interviewed for the wage and salary survey, she stated that she was interviewed.

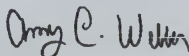
Register Hubal asked for the surcharge account expenses be approved. **Rep. Liebl moved to accept the deeds surcharge account as submitted by Register Hubal, Rep. Webber seconded, voted unanimously.**

Tom Kenney, Director of the Alternative Sentencing Program, introduced Gerry Pelletier, the Mental Health Coordinator for our new Mental Health Program. Director Kenney stated that many clients were in the program, an alternative to a jail sentence, at a cost of approximately \$71,000. The Mental Health Program has overseen clients at a cost of about \$58,000. Outside services costs were reduced in order to bring it closed to the actual expenses of last year.

The wage and salary report was distributed. Commissioner Zerba urged the committee review the report before next week when Don Tyler from HR Partners makes his presentation.

The Delegation Jail Committee has decided that they will meet on Thursday, January 9, in order to have a jail site meeting before the delegation meeting on Monday, January 12. A notice will be placed in the newspaper at the earliest possible date regarding the meeting.

There being no further business, the meeting was adjourned at 12:35 PM.



Amy Webber, Clerk

Minutes approved on Feb. 2, 2004

MINUTES
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Monday, January 12, 2004 9:00 AM
33 West Street, Keene, NH

PRESENT: Representatives Allen; Dexter; Eaton; Espieffs; Hunt; Laurent; Liebl; Mitchell; I. Pratt; Richardson; Slack; Commissioners Zerba, Moore and Sistare; County Administrator Wozmak; Sheryl Trombly Finance Director; Sheriff Foote; Terry Warren Ex. Asst. to Commissioners.

Chairman Hunt called the meeting to order at 9:07 AM.

Sheriff/Sheriff Dispatch

Sheriff Foote gave an overview of the Sheriff's budget. The Sheriff stated that almost everything below the salary line is about the same as last year. He stated that they are still hiring for the Dispatch Department, and need another person in order to have complete coverage. He is receiving good responses on the department. Rep. Dexter stated that he has contacted the police in his areas and they are very appreciative of the County establishing the dispatch. The sheriff stated that he has been approached by the town of Gilsum to provide 20 hours of police service to the town and he has asked for an additional employee to cover that service. Chairman Hunt stated that he felt it was to come before the executive committee before hiring. Sheriff Foote stated that the added personnel are in the budget along with additional revenue from the Town of Gilsum to pay for the patrol.

There was a question about the outside services line. The Sheriff stated that R&R is a local company who won the bid for equipment repair.

Administrator Wozmak reminded the committee that they need to vote on adding an additional position to the dispatch center, as requested by the Sheriff. Chairman Hunt asked if the addition was already in the budget, Administrator Wozmak stated that it was not. Chairman Hunt stated the committee would like written requests when they are not included in the proposed budget. The Commissioners stated that they recommend the addition of one position to the dispatch. **Rep. Mitchell moved to approve the extra position for the dispatch, Rep. Liebl seconded, discussion followed. Voted unanimously.**

Delegation

Administrator Wozmak reviewed the budget.

Commissioners

Administrator Wozmak reviewed the budget. He stated that the Intern line was added for three interns over the course of the year, the first to review a solid waste management project for the county, to see what role the county could take to assist the towns. Commissioner Sistare stated that he recommended this in order to assist the towns to merge to find a cheaper way to dispose of trash. There was much discussion regarding whether or not interns should be paid.

Under outside services, the County contributed \$2500 to the Keene Chamber of Commerce to contribute towards a Workforce Coordinator position who is working to increase the available workforce. There was general discussion about the services provided by the Coordinator and if there was any connection of the local Chamber to the National Chambers of Commerce.

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Administrator Wozmak asked to remove \$5998 from the 4130.03 Staff line as this a redundant entry for the intern. **Rep. Mitchell moved to remove \$5998 from the 4130.03 line, seconded by Rep. Slack, vote was eight in favor, one opposed.**

The Committee took a break at 10:15 and returned to session at 10:30.

Treasurer

Ellen DeYoung was present to answer any questions on her budget. There were no questions. Treasurer DeYoung stated that in the debt service, the original request was \$140,000 and Commissioners approved \$120,000, and she does not have a problem with the reduction because it is more in line with the actual expected costs of debt service.

Wage and Salary Survey

Chairman Hunt welcomed Don Tyler from Human Resources Partners. Don gave an overview of the pay and classification study and how the study was prepared in evaluating and classifying jobs. He reviewed the report with the committee, answering many questions. The spreadsheet of the financial impact of the survey was also reviewed. After much discussion, **Rep. Allen moved to approve the \$149,936.89 impact to the budget for the wage and salary increases, Rep. Richardson seconded, voted unanimously.**

There being no further business, the meeting was adjourned at 12:10 PM.

Terry Warren, Clerk pro tem
(Amy Webber, Clerk, was absent)

MINUTES
Cheshire County Delegation
Monday, January 12, 2004 7:00 PM
Keene Public Library, Keene, NH

PRESENT: Representatives Allen; Dunn; Dexter; Eaton; Espieffs; Hunt; Laurent; Liebl; Manning; Meader; Mitchell; Parkhurst; J. Pratt; I. Pratt; Richardson; Robertson; Royce; Slack; Smith; Weed; Commissioners Zerba; County Administrator Wozmak; Linda Mangones KHA; Keith Thiebault Southwest Community Services; Terry Warren Ex. Asst. to Commissioners.

Chairman Espieffs called the meeting to order at 7:00 PM and opened the public hearing on the proposed CDBG application. He asked Linda Mangones of Keene Housing Authority to explain the CDBG requirements and introduce the proposed project.

Ms. Mangones described the project to the delegation. Using the handout, she briefly explained the prospective roles of Keene Housing Authority (KHA), Southwest Region Planning Commission (SWPRC), and Southwestern Community Services (SCS). There were also a large number of persons from the public.

She stated that the purpose of the public hearing was to explain and discuss the proposed Community Development Block Grant (CDBG) application for Keene Housing Authority to acquire 10 acres on upper Court Street in Keene and to develop 24 apartments for low- and moderate income families. This is Phase I of a much larger project, and is essential in order for KHA to continue development of the Court Street property. Because it is close to the Stone Arch Bridge on Court Street, this entire project has been named Stone Arch Village. Phase II is the development of 36 one-bedroom apartments for lower-income elderly and disabled persons on the site. Unless KHA receives the CDBG funding for Phase I, Phase II will not be financially feasible; however, KHA is not planning to apply for any further CDBG funds for Phase II.

Ms. Mangones then presented an overview of the entire CDBG program. This is a competitive program now administered by the Community Development Finance Authority (CDFA) for most of the state. About \$4-5 million is distributed for housing and public facilities projects each year. Because there are two competitions, about half of that amount is available at each competition. Large cities and counties may apply for up to \$500,000 for a one-year project and \$1,000,000 for a two-year project. All projects must have a primary benefit for low and moderate income persons.

Ms. Mangones reviewed the Housing and Community Development Plan for Cheshire County that will be attached to these minutes as part of the public record. Because Cheshire County itself has no real power within the municipalities, this is a somewhat general statement of the type of projects that the County supports.

Ms Mangones reviewed the Displacement and Relocation Plan for Cheshire County that will be attached to these minutes as part of the public record. It is a plan to minimize involuntary displacement and assist households and businesses that are displaced as a result of a CDBG program. If a CDBG project results in the displacement of a household or business, the Grantee and Sub-recipient are required to provide financial and other assistance under the Uniform Real Property Acquisition and Relocation Assistance Act of 1970, as amended. Because the proposed site is vacant, this project has no relocation. However, it does have acquisition with CDBG funds, and KHA has carefully reviewed the requirements and is complying with them.

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Using a large drawing and the handouts, which had been provided to the members of the delegation and the public, Mr. Thibault of SCS then described the proposed project to the delegation.

There were a few questions from the members of the delegation. One involved the number of school children expected to live in the apartments. Ms. Mangones responded that she had not calculated the number as this question is not usually asked in Keene, which has a declining school population. She and Mr. Thibault estimated that there might be 24-48 children in the 24 apartments, but many would be too young to attend school. There were a number of questions about the location of the project, to which Ms. Mangones responded that it was the former site of MacKenzie's ice cream parlor, thus identifying it for most of the delegation.

There being no further questions, comments, or discussion regarding the project, the public hearing portion of the meeting was closed at 7:15 PM.

Rep. Royce moved that the Delegation authorize the Cheshire County Commissioners to apply for Community Development Block Grant funds, not to exceed \$980,000, to be used by Keene Housing Authority to develop workforce housing on Court Street in Keene; that the County reaffirm the Housing and Community Development Plan and Displacement and Relocation Plan previously adopted; that the County will accept the grant if approved, and will enter into a contract with the State of New Hampshire; and, further, that the County Commissioners are authorized to execute any documents that may be necessary for this project, Rep. Eaton seconded. Roll call vote was taken and the motion passed unanimously.

The meeting was turned over to the Delegation Jail Committee Chairman, Rep. Dexter. Rep. Dexter gave an overview of the history of the search for a jail site and the reasons for bringing the jail within a three-mile radius of Keene. After researching at least 20 sites, the committee wound up with three sites that fit the stated requirements; the Routhier- Parrott property; the Bardwell property and the current location in Westmoreland. The three sites met the original goal of acreage, access, power, water, sewer; the Routhier and Bardwell properties met the three-mile requirement, the current site did not.

After the decision on what sites fit with our needs, the site development costs had to be the next deciding factor. The cost of developing the current site is about \$1,000,000. The Bardwell property purchase price and site development price brings that property up to about \$3,000,000. The Routhier property numbers are not solid because it was the most recent property viewed, but the costs would be between \$1,000,000 and \$2.5 million for purchase and development. The Delegation Jail Committee voted 12 to 2 to bring the Routhier property to the delegation for discussion. The Delegation Jail Committee is bringing this information forward so they would know the work that done to date.

Rep. Mitchell recapped some of the concerns he brought up at the Delegation Jail meeting on January 8. These concerns were included in the report from Clough Harbor. The first concern from the report he will review is regarding Alternative One, the upper plateau, access and circulation. There is no easy access to the property; Thompson Road; had grades more than 20%, presenting an unsafe conditions. If Thompson Road is utilized, a new road would be constructed along the rail bed to the site, which would require rights to the railbed, which is stated as being privately owned but actually is owned by the state. The other alternative is constructing a bridge over Otter Brook; a new road from Branch Rd and up the steep slope to the upper Plateau at a significant cost. The 10% grade to get to the upper

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level would be undesirably steep; he questions whether a road with a 10% grade is manageable for fire equipment. The report states that the putting up the bridge would require purchasing land from private abutters; he questions what the cost of acquiring this property, how many abutters, are they willing to sell, will extra measures have to be taken. If we do not acquire the extra property, we cannot build the bridge. Storm water drainage - Construction of storm water retention facilities is likely to be required, what is the cost, what does it entail. The existing steep slope will create limiting factors in the construction of these facilities. The projected cost for Alternative One, Thompson Road access projected total costs at \$1,187,500; from Branch Road the projected costs are \$2,417,500. Alternative Two, lower level access from Branch Road would be at a cost \$1,387,000. Without answers to all these questions, he cannot support this. Rep. Robertson asked would not all the same questions be asked for any site we are looking at, even the Westmoreland site. Rep. Mitchell stated that the questions would be asked of all, but since the Routhier site is the site we are looking at, that is what he is addressing. Roger Monsel of Clough Harbor was asked to address some of the questions. He stated that the reports are preliminary reports and do not contain all the information you are asking. He stated that the Routhier site does have more environmentally sensitive issues than the other sites because of the Branch River. Environmental impact statements would be required. He stated that we are only at the beginning of the study of the property.

Rep. Dexter asked Roger Monsel if it would be more prudent to keep the jail where it is. Roger stated that he looked at the sites specifically looking at the physical issues, and not some of the other issues, such as proximity to Keene. The present site makes the most sense for development; for ease of construction, the Bardwell site is the obvious choice, it has the least amount of development costs.

Rep. Royce asked who would perform the environmental studies. Roger stated it would depend on the funding agencies, depending on where the money is coming from. For example, if the state designed the bridge, they make ask for it. He does not know of any agency that would look specifically at any site requiring an environmental statement. Rep. Laurent asked was not the present jail site already in a flood plain, Roger confirmed that it is. Rep. Slack asked about the traffic impact on the sites. Roger stated that they did not look at traffic impact at any site, but it is not considered a major traffic generator. Rep. Robertson stated that he thought jails were required to be completely sprinkled.

Rep. Dexter stated that one of the tasks of the committee included looking at a site within a three-mile radius of Keene in order to reduce direct and indirect costs related to the jail. He stated that the Commissioners recommendation was to leave it where it is. He stated that the committee voted 12 to 2 to bring the Routhier property to the delegation. Rep. Smith asked what would the next step be depending on the vote. Rep. Dexter stated that if the vote is to further look into this property, more studies will be requested, and a minimum of three public hearings will be held on three different days, at three different times, to allow as many of the public to attend and participate in the discussion. If the property is eliminated at this time, we would either further study the two other properties, we would go back to square one. Rep. Allen stated that we need to provide support to inmates and help them. Those services and support are not in Westmoreland, they are in Keene. Rep. J. Pratt stated that he commended the representative from Chesterfield for asking the good questions. He stated that he hopes the delegation moves forward.

Commissioner Zerba was asked for the Commissioners' opinion. He stated that the Commissioners recommended the Westmoreland site. The Delegation Jail Committee rejected that and asked us to look at more sites. Chairman Espieffs asked why they made that decision. Commissioner Zerba stated

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that although the recommendation was to be closer to Keene, they kept the recommendations they thought most appropriate. There were political ramifications, costs and other issues, and there were trade offs to be made and they decided to keep the site in Westmoreland.

Rep. Royce stated that he has dealt with the DES and the Army Corps of Engineers and permits could take two to three years, and this should be taken into consideration.

Rep. Smith stated that the discussion has gone on for some time and would like a motion to be presented.

Rep. Eaton moved to accept the recommendation of the Delegation Jail Committee to authorize the County Commissioners to enter into negotiations for the acquisition of the Routhier-Parrott property for the purpose of building a new jail, and to schedule a series of three public hearings on the matter, seconded by Rep. Dexter. Discussion followed.

Rep. Pratt asked for clarification. The Jail Committee stated that no final decision would be made, as to whether we are moving forward on this, and studies completed. Administrator Wozmak confirmed that the committee agreed that the Commissioners would enter into a purchase and sale agreement, with certain contingencies related to whether or not the work that is done in answering the questions brought up, make it realistic to build there. However, we cannot do that unless we enter into a purchase and sale agreement to purchase the property. Rep. Hunt proposed an amendment that the Commissioners will not sign a purchase sale agreement until the Delegation has voted to go forward. Rep. Hunt stated that this delegation wants veto authority based on environmental studies and public hearings.

There was some discussion about whether the public would be allowed to speak on this matter at this time. After discussion among the delegation, the chairman ruled that no public testimony would be taken at this meeting.

Rep. J. Pratt stated that the motion should state that it is subject to the approval of the delegation. An amendment was made to the motion, adding **"The Commissioners will not sign a purchase and sale agreement without prior approval of the Delegation"**. Rep. J. Pratt stated that it must come back to the Delegation.

Rep. Eaton read the revised motion to accept the recommendation of the Delegation Jail Committee to authorize the County Commissioners to enter into negotiations for acquisition of the Routhier Parrott property subject to conditions established by the Delegation and final voting approval of the delegation prior to completion of the sale. There being no further discussion, the motion was approved 11 to 9. Allen, Dexter, Eaton, Hunt, Laurent, Liebl, I. Pratt, J. Pratt, Robertson, Tilton, Weed voting yes; Dunn, Espiefs, Meader, Mitchell, Parkhurst, Richardson, Royce, Slack, Smith voting no.

There being no further business, the meeting was adjourned at 8:40 PM.

Terry Warren, Clerk Pro Tem
(Amy Webber, Clerk, was absent)

MINUTES
Cheshire County Delegation
Executive Committee Meeting
2004 Budget Review
Monday, January 26, 2004 9:00 AM
Maplewood Nursing Home, Westmoreland, NH

PRESENT: Representatives Allen, Dexter, Eaton, Espieffs, Hunt, Laurent, Liebl, Mitchell, Richardson, Webber; Commissioners Zerba, and Moore; County Administrator Wozmak; Sheryl Trombly Finance Director; Adrian Farmer, Nursing Home Administrator; Lisa Kemp, DNS; Rick Van Wickler Superintendent HOC; David Putnam, Farm Manager; Barry King Facilities Manager; Terry Warren Ex. Asst. to Commissioners.

Chairman Hunt called the meeting to order at 9:20 AM.

MAPLEWOOD NURSING HOME

- 4411 Administrator Farmer reviewed the administration budget. The outside services line is down by the amount of the fee for Municipal Resources, who conducted the search for a nursing home administrator in 2003. Postage is down to reflecting usage. The insurance line is up due to a revaluation of the buildings for insurance loss purposes. Rep Espieffs asked where the health insurance is, as the line is at \$0. Chairman Hunt explained that all the health insurance costs were put into the General County Government budget. There was some discussion on the property and liability insurance. Chairman Hunt suggested that at least every three years the county shop for insurance in order to make sure the costs are in line.
- 4412 Administrator Farmer reviewed the Quality Improvement budget. There were no questions.
- 4413 Administrator Farmer reviewed the Nurse Practitioner budget. Payroll increased because another nurse practitioner was hired. This also increased dues, continuing education and travel. The increased FTE was added because the nurse practitioner indicated she was going to retire, and the new nurse practitioner was added to help in the transition as well as to develop an enhanced use of the position to increase revenue.
- 4415 Administrator Farmer reviewed the dietary department budget. There is an increase in the purchase of food. There was discussion over the cost of beef and the beef that the farm had distributed to the nursing home. The consensus was that the farm would make more money selling the beef on the market rather than to the nursing home. However, it would increase nursing home costs.
- 4416 The Nursing budget was presented by Lisa Kemp. The biggest change is to line 4416.36.44, Alarm pads, which has its own line.
- 4417 Alarm pads has been given its own line in this budget. There was some discussion regarding the LNA line.
- 4418 And 4419 The Environmental Services Director position was eliminated thereby reducing the supervisor line. There were no questions.
- 4420 Activities was presented by Administrator Farmer. There were no questions.
- 4423 Social Services was presented by Administrator Farmer. There were no questions.
- 4424 Occupational Therapy was presented by Administrator Farmer. The COTA position was eliminated and the OT aide will absorb the work. There were no questions.
- 4425 Physical therapy was presented by Administrator Farmer. There were no questions.
- 4426 Miscellaneous Services for Residents was presented by Administrator Farmer. There were no questions.
- 4422 LTC budget was presented by Administrator Farmer. This was originally a pilot project with the state paying part of the salary. In June, the pilot project will come to its natural end and the state has indicated that it will fully fund this project in the future.

The Delegation took a short break at 10:45 AM. They returned to session at 10:55 AM.

- 4439 Assisted living was presented by Administrator Farmer. The room rate has been increased to \$1700/2550. There is a waiting list for the ALF of about 25 residents. The rates charged for Assisted Living remain the lowest in the region but for one facility that has fewer services and is in a home-type setting. A market survey of assisted facility rates was conducted prior to recommending a rate increase. There was some discussion about whether the assisted living facility would ever be expanded or whether the nursing home would have a need to expand. Mr. Wozmak said that while there are studies that support a need for additional assisted living facilities, consideration should be given to where such a facility would be. He

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also said that there are other entities in the housing business that might be better at providing assisted living facilities, such as Keene Housing Authority, Southwest Community Services and Cheshire Housing Trust. Mr. Wozmak also noted the cap on new nursing home beds that has been in place for many years and the state's increasing difficulty in adequately funding the Medicaid budget lines for care of the elderly.

4194 Facilities Manager Barry King reviewed the budget for the Cheshire County buildings. Manager King stated that we are looking at Honeywell capital improvement program designed to reduce energy consumption and perhaps long-term savings for the county. Rep. Liebl asked about the wastewater treatment erosion. Manager King stated that the Army Corps of Engineers is still reviewing the issue. If the Corps of Engineers does the work, there will be an approximate 60%/40% cost sharing between the federal government and the county. Manager King asked for the electric line under the courthouse to be increased to \$50,000. He is basing that figure on the six-month history. The increase is due to increased costs from the sheriff's dispatch center. He requested the fuel line be increased to \$16,500. There were no other questions regarding the facilities budget.

4301 Farm Manager David Putnam reviewed the budget. Most of the budget is level funded. Vet fees have increased slightly. Farm revenue was reviewed. Rep. Espieffs asked why the farm is paying town taxes. Manager Putnam stated that the municipal buildings are tax exempt from the tax, but all other land and buildings are taxed. Chairman Hunt recognized citizen Paul McGuirk from Walpole expressed his concern over the farm loss in 2003 of \$36,000. He reviewed some of the recommendations for the farm from the report prepared by the First Pioneer Farm Credit Bureau. McGuirk urged the Executive Committee to look at the farm carefully to determine whether it should continue in operation. In response to questions, Manager Putnam stated that there are groups of students who visit the farm during the year and the County Open Barn day draws around 300-1,000 visitors. He gave the committee an overview of the status of the farm and dairy industry.

4230 Superintendent Van Wickler reviewed the Department of Corrections budget for 2004, which is down from 2003 by \$1,983,009. There was some discussion on the use of inmate labor in the county for nonprofit organizations and for county government.

Chairman Hunt stated that it would be helpful to know the feasibility of inmate programs if the jail were moved to Keene. Rep. Espieffs suggested the committee charge the commissioners to prepare a cost benefit analysis of the inmate programs, and why Keene is the right place to put the jail. Chairman Hunt suggested to the Commissioners that they consider Superintendent Van Wickler submit his own analysis and opinion regarding the jail for submission to the Delegation. Commissioner Zerba stated that they have received input from the Superintendent. Rep. Eaton stated that the committee would like to have a report, without the Commissioners setting the agenda, from the Superintendent. Commissioner Zerba stated that he would like the committee to approve allowing the commissioners to inter into agreement to purchase the Bardwell Farm. Rep. Mitchell stated that he feels the jail committee needs more information before this decision is made. Chairman Hunt concurred regarding additional information on whether it would be more expensive to operate the correctional facility in Keene and where those expenses would be specifically.

There being no further business, the meeting was adjourned at 1:05 PM.



Minutes approved on Feb. 2, 2004

Amy Webber, Clerk

MINUTES
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Executive Committee Meeting
2004 Budget Review
Monday, February 2, 2004 9:00 AM
33 West Street, Keene, NH

PRESENT: Representatives Allen, Dexter, Eaton, Espieffs, Hunt, Laurent, Mitchell, Richardson, Slack, Webber; Commissioners Zerba, and Moore; County Administrator Wozmak; Sheryl Trombly Finance Director; Mimi Barber, Director of Human Services; Terry Warren Ex. Asst. to Commissioners.

Chairman Hunt called the meeting to order at 9:05 AM.

1. Human Services

Director Barber reviewed the Human Services handout she distributed. This document contained the revisions to the Human Services budget and explanations for the changes. There was some discussion about decisions regarding rates, costs and payments.

4441.54.0	Old Age Assistance	No Change
4441.55.0	Aid to Permanently & Totally Disabled	from \$377,000 to \$357,000
4441.56.0	Intermediate Nursing Care	From \$2,709,000 to \$2,589,000
4441.56.01	Related Health Costs	from \$1,148,000 to \$1,303,000
4441.58	Board and care of Children	from \$775,000 to \$800,000

Rep. Slack asked how many children are in the CHINS Program, Director Barber stated that there are about 38.

Commissioner Zerba stated that the Commissioners were prepared to offset the apparent \$40,000 increase in the Human Services budget through the use of surplus or other budget neutral measure.

2. Computers

Wendy Putnam stated that she asked for a third position, but it was cut by the Commissioners, leaving in \$6000 for an intern. Some of the funds from the HIPAA line were transferred to MNH Staff Development. The computer telephone line now includes the Global Crossing line fees. This was originally in the dues/membership/subscription line. Wendy spoke about a computer projector for power point presentations, which was removed from her capital budget.

Rep. Eaton moved to add back into the computer capital budget the \$2800 for the projector, Rep. Slack seconded, motion passed. There was discussion on the need for a new microwave compared to the present use of a T1 line.

3. County Attorney

County Attorney Bill Albrecht asked the committee if they wish to hear his reasoning regarding salary requests. The Committee stated that the salary figures are not being reviewed at this time.

Attorney Albrecht reviewed the Medical Examiner budget. The autopsy expenditures are approved by the county attorney's office. He requested the lines to be increased as follows: Travel to \$400; Views to \$7000 and to reduce the autopsy line to \$6000.

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Chairman Hunt asked about the reduction in the equipment line purchase. Director Trombly clarified that the equipment was for the purchase of copy machine and it has been added to the facilities budget as a leased item.

Attorney Albrecht stated that the extradition line is based on history and it a number that can fluctuate. Rep. Espieffs asked Attorney Albrecht to speak to the Asst. Attorney salary lines. Mr. Albrecht stated that while he had produced salary recommendations for the Commissioners to consider, that he supported the recommendations of the Commissioners regarding the Pay and Classification Study. There were no further questions regarding the Victim Witness, Prosecutor Grant and Victim Witness District Court lines.

The Committee took a short break at 10:50. They returned to session in ten minutes.

4. UNH Cooperative Extension

Lauren Bresset reviewed some of the changes from the 2003 budget. There was some discussion regarding personnel salary. Administrator Wozmak explained how there is discussion ongoing regarding the UNH moving to 350 Marlborough Street with the County. There were no further questions.

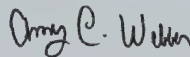
5. Cheshire County Conservation District (NRCS)

Deb Hinman reviewed the 2004 budget. There was discussion on the work done by the National Resources Conservation Services in 2003. There was discussion about the river erosion on county-owned property in Westmoreland and that there may be grant funds that will help pay to restore the bank erosion.

6. General County

Administrator Wozmak reviewed the budget and stated that it is basically level funded. The Safety person is the position that oversees the safety for the county. There was some discussion about the Worker's Compensation, Property and Liability insurance costs listed in this line. It was recommended that the Commissioners make sure that the premiums charged by PRIMEX are competitive and encouraged them to seek bids for the 2005 budget.

There being no further business, the meeting was adjourned at 12:05 PM.



Minutes approved on Feb. 9, 2004

Amy Webber, Clerk

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Cheshire County Delegation
Executive Committee Meeting
2004 Budget Review
Monday, February 9, 2004 9:00 AM
33 West Street, Keene, NH

PRESENT: Representatives Allen, Dexter, Eaton, Espieffs, Hunt, Laurent, Liebl, Mitchell, Richardson, Slack, Webber; Commissioners Zerba, and Moore; County Administrator Wozmak; Sheryl Trombly Finance Director; Terry Warren Ex. Asst. to Commissioners.

Chairman Hunt called the meeting to order at 9:30 AM.

1. **Pilot Project**

Administrator Wozmak presented the budget for the Pilot Project. There were no questions.

2. **Finance**

Director Trombly presented the Finance Budget. The highest increase in the budget is the auditing fees. The committee did not have additional questions.

3. **Human Resources**

Administrator Wozmak advised the committee that they have completed the interviews for the Human Resources director and are checking references. There was a question regarding the advertising line, Administrator Wozmak stated that all employment advertising has been put into the HR budget, transferred there from other departments.

4. **Personnel Administration**

Director Trombly confirmed there has been a 14% increase in health insurance premiums. Dental insurance decreased. There were some questions regarding health insurance costs, benefits and co-pay. Director Trombly will supply the amount paid out in separate categories.

5. **Revenues**

There were some general questions about the 2004 Revenues that were answered by Finance Director Trombly.

The committee took a short break at 10:20 AM. The committee reconvened at 10:35 AM.

Superintendent Van Wickler addressed the inmate revenue line, which has increased because the rate was increased and he has increased the number of federal inmates up to 14, when is able to accommodate them. There was discussion that this allows him to maximize the utilization of the facility.

6. **Capital Budget**

Rep. Dexter asked if the facilities department does boiler repair work or do we go out for repairs. Manager King stated that most of the work is done by outside companies.

There were some questions on the sheriff's vehicle line. The Sheriff was contacted and he explained that two they are purchasing two new cruisers. Sheriff Foote was asked to provide information regarding the leasing of vehicles vs. purchasing.

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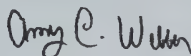
Farm Manager Putnam gave an overview of his capital expenditures and explained that he would like to change 4900.97.5 from \$5000 for a tank spreader to \$15,000 to purchase a mixer wagon. There was discussion that the spreader may have been included by accident rather than the mixer wagon. **Rep. Slack moved to delete \$5000 for a tank spreader and add \$15,000 for a mixer wagon, Rep. Mitchell seconded, voted unanimously.**

7. Capital Reserves

Rep. Hunt asked about the funds for the community youth profile line. There was discussion about the fact that this money is in a separate fund and whether it should just be funded through normal operating appropriations in the future, which was favored by the Executive Committee.

The Commissioners advised the committee that there is a surplus from the 2003 budget of \$697,839.69 and the Commissioners recommend that the surplus funds, minus \$80,000, be put towards taxes to be raised which would nearly eliminate any increase in taxes to be raised. The \$80,000 would be put towards Dept. 4155, for the second phase of the wage and salary survey. The Commissioners had originally recommend phase two begin in 2005.

Due to the number of decisions and motions needing to be made to finalize the Executive Committee's budget, the Committee decided to adjourn at 12:05 and meet again next Monday, Feb. 16, 2004, at 9 AM for an additional, final meeting to complete their budget review.



Amy Webber, Clerk

Minutes approved 3/3/04

MINUTES
Cheshire County Delegation
Monday, February 9, 2004 7:00 PM
12 Court Street, Keene, NH

PRESENT: Representatives Allen; Dunn; Dexter; Eaton; Espieffs; Fish; Hunt; Laurent; Liebl; Manning; Mitchell; J. Pratt; Richardson; Robertson; Royce; Slack; Tilton; Webber; Weed; Commissioners Zerba and Moore; County Administrator Wozmak; Terry Warren Ex. Asst. to Commissioners.

Chairman Espieffs called the meeting to order at 7:09 PM.

Chairmen Espieffs recognized Rep. Dexter, Chairman of Delegation Jail Committee.

Rep. Dexter moved to raise and appropriate a sum not to exceed \$23.5 million (\$23,500,000) to finance the design, construction and equipping of a county correctional facility on County-owned land in Westmoreland, such sum to be raised through the issuance of bonds or notes pursuant to the provisions of RSA 28 and RSA 33, as amended; and to authorize the County Commissioners to issue, negotiate, sell and deliver said bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof; and, further, to establish a schedule of public hearings to keep the citizens of Westmoreland and the County Delegation informed throughout the design process, and to take any other action or pass any other vote relative thereto, seconded by Rep. Dunn. Rep. Dexter addressed the issue of the jail and the need to go forward.

Rep. Laurent requested an amendment to the above motion to add **"Westmoreland will receive \$100,000 per year, adjusted to the cost of living, in lieu of taxes for being the host community for the Cheshire County Correctional Facility,"** Rep. Eaton seconded. There was some discussion to the motion. Rep. Hunt asked what the \$100,000 fee is for and what the County is paying for. Rep. Laurent replied that it was an offset to lowering property taxes. There was additional discussion about the burden placed on Westmoreland and whether or not there is a relation between the amendment and the burden. Rep. Laurent said that there was no relation, it was just a NIMBY (Not In My Back Yard) payment. **Rep. Robertson moved the question, Rep. Hunt seconded. A voice vote was taken on the motion to move the question and the voice vote was unanimous. Rep. Royce reread the amendment to the motion. A roll-call vote was taken and the amendment failed 16 to 2.**

Rep. Laurent then moved to amend the original motion with the following: "Cheshire County will be responsible for the cost of maintaining the River Road Bridge between the jail and the water treatment plant", seconded by Rep. Eaton. There was discussion on the amendment and there was a decision to make a friendly amendment to change "maintaining" to "capital improvements". There was discussion about the age of the bridge, the use of the bridge and the necessity for the bridge to the residents of Westmoreland. Laurent said the bridge was basically for the County's use and that the town did not really need it. After additional discussion, the question was called by Rep. Pratt, seconded by Rep. Eaton. A unanimous voice vote was taken to move the question. Rep. Royce reread the amendment to the motion. **A roll call vote was taken and the motion failed on a 9 to 9 vote.**

Rep. Royce reread the original motion for purposes of additional discussion.

Rep. Robertson asked why 15 acres is required when Manchester's jail is on three acres. Administrator Wozmak stated that the acreage is the recommendation of the consultants. Rep. Tilton asked if the motion specifies the site in Westmoreland. Administrator Wozmak stated it did not because he was

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encouraging the delegation to allow the intensive design process make a determination about the best site after careful soil and site surveys.

Rep. Robertson made a motion to start eminent domain proceedings n the Routhier-Parrott property on Route 101, to substitute for the original motion, Rep. Manning seconded.

There was debate between several members of the delegation about the impacts of using eminent domain for this purpose. Rep. Hunt stated strongly that he would never vote to take any property by eminent domain from a taxpayer.

Rep. Dunn thanked Superintendent Van Wickler for his timely report regarding the jail. He expressed his concern that it was time for the delegation to make a decision.

Rep. Pratt said that the executive branch of the Cheshire County has not served the county well for failing to come up with a suitable site for the jail.

Rep. Slack stated that the Commissioners have come back to the committee many times with input on the jail and nothing was done by the committee.

Rep. Robertson explained his position for eminent domain and that the county could reimburse neighbors of property we purchase for any loss they experience.

Rep. Royce reread the substitute motion regarding eminent domain. A roll call vote was taken and the motion failed on a vote of 9 to 9.

The committee took a ten-minute break at 8 PM, reconvened at 8:10 PM.

Rep. Hunt asked if it was in order to have a reconsideration of previous votes because Rep. Webber arrived. The Chairman called a break to review Mason's Rules of Order. Meeting reconvened at 8:21 PM.

Rep. Robertson withdrew his motion. **Rep. John M. Pratt moved that the County Executive be given 60 days to find and report back to the delegation with an acceptable jail site other than Westmoreland and that he be empowered to consider use of the full force of government to accomplish this. The motion was seconded by Rep. Robertson.** There was discussion on the motion. **A roll call vote was taken and the motion defeated 10 nays to 7 yeas.**

Rep. Hunt moved the original motion, Rep. Slack seconded.

A roll call vote was taken and the original motion passed 12 yea to 6 nays.

Rep. Mitchell thanked the County Administrator, his assistant Terry Warren, the Commissioners and Superintendent Van Wickler and stated that the county is fortunate to have the people we have to oversee the daily work of the county.

There being no further business, the meeting was adjourned at 8:39 PM.



Amy Webber, Clerk

Minutes approved 3/3/04

MINUTES
Cheshire County Delegation
Executive Committee Meeting
Monday, February 16, 2004 9:00 AM
33 West Street, Keene, NH

,PRESENT: Representatives Allen; Eaton, Espieffs; Hunt; Laurent; Liebl; Mitchell; Richardson; I Pratt; Slack; Webber; Commissioners Sistare and Moore; County Administrator Wozmak; Sheryl Trombly Finance Director; Rick Van Wickler Superintendent of DOC; Sheriff Foote; Terry Warren Executive Assistant to the Commissioner

Chairman Hunt called the meeting to order at 9:10 AM.

COLA

Rep. Eaton moved to approve the Commissioners proposed merit and COLA budget of 2%, Rep. Mitchell, seconded. Motion passed unanimously.

DELEGATION

Rep. Eaton moved, Rep. Mitchell seconded the Commissioners proposed delegation budget of \$9150, voted unanimously.

COUNTY ATTORNEY

Rep. Eaton moved to approve the Commissioner's proposed budget of \$372,727, Rep. Mitchell seconded. Motion passed unanimously.

VICTIM WITNESS

Rep. Eaton moved to approve the Commissioner's proposed budget of \$55, 212, Rep. Mitchell seconded, voted unanimously.

PROSECUTOR'S GRANT

Rep. Eaton moved to approve the Commissioner's proposed budget of \$76,690, Rep. Mitchell seconded, voted unanimously.

VICTIM WITNESS DISTRICT COURT

Rep. Eaton moved to approve the Commissioner's proposed budget of \$44,074, Rep. Mitchell seconded, voted unanimously.

COMMISSIONERS

Rep. Eaton moved to approve the amended budget of \$197,157, Rep. Mitchell seconded, voted 10 to 1, motion passed.

FINANCE

Rep. Eaton moved to approve the Commissioner's proposed budget of \$338,062, Rep. Mitchell seconded, voted 10 to 1, motion passed.

TREASURER

Rep. Eaton moved to approve the Commissioner's proposed budget \$7749, Rep. Mitchell seconded, voted unanimously.

COMPUTER OPERATIONS

Rep. Eaton moved to approve the Commissioners proposed budget of \$218,849, Rep. Mitchell seconded, voted unanimously.

HUMAN RESOURCES

Rep. Eaton moved to approve the Commissioner's proposed budget of \$107,732, Rep. Mitchell seconded, voted unanimously.

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PERSONNEL ADMINISTRATION

Rep. Eaton moved to approve the Commissioner's proposed budget of \$1,756,670, Rep. Mitchell seconded, voted unanimously.

MEDICAL EXAMINER

Rep. Eaton moved to approve the amended budget of \$13,400, Rep. Mitchell seconded, voted unanimously.

DEEDS

Rep. Eaton moved to approved the changes in salary for the Deeds budget, Rep. Mitchell seconded, voted unanimously. Rep. Eaton moved to approve the amended budget of \$458,491, Rep. Mitchell seconded, voted unanimously.

FACILITIES

MNH - Rep. Eaton moved to approve the Commissioner's proposed budget of \$832,229, Rep. Mitchell seconded, voted unanimously.

HOC - Rep. Eaton moved to approve the Commissioner's proposed budget of \$108,090, Rep. Mitchell seconded, voted unanimously.

WWTP - Rep. Eaton moved to approve the Commissioner's proposed budget of \$21,120, Rep. Mitchell seconded, voted unanimously.

WTP - Rep. Eaton moved to approve the amended budget of \$24,615, Rep. Mitchell seconded, voted unanimously.

Farm - Rep. Eaton moved to approve the Commissioner's proposed budget of \$28,625, Rep. Mitchell seconded, voted unanimously.

Courthouse - Rep. Eaton moved to approve the Commissioner's proposed budget of \$210,656, Rep. Mitchell seconded, voted unanimously.

Administration Bldg. - Rep. Eaton moved to approve the Commissioner's proposed budget of \$56,540, Rep. Mitchell seconded, voted unanimously.

GENERAL COUNTY

Rep. Eaton moved to approve the Commissioner's proposed budget of \$105,608, Rep. Mitchell seconded, voted unanimously.

SHERIFF

Rep. Eaton moved to approve the Commissioner's proposed budget of \$587,423, Rep. Mitchell seconded, voted unanimously.

Rep. Eaton moved to approve the Commissioner's proposed budget of \$0 for the Sheriff Grant program, Rep. Mitchell seconded, voted unanimously.

SHERIFF DISPATCH

Rep. Eaton moved to approve the amended budget of \$281,958, Rep. Mitchell seconded, voted unanimously.

FIRE MUTUAL AID

Rep. Eaton moved to approve the Commissioner's proposed budget of \$390,811, Rep. Mitchell seconded voted unanimously.

DOC

Rep. Eaton moved to approve the salary changes, Rep. Mitchell seconded, voted unanimously. Rep. Eaton moved to approve the amended budget of \$1,984,930, Rep. Mitchell seconded, vote 10 to 1, motion passed.

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FARM

Rep. Eaton moved to approve the Commissioner's proposed budget of \$276,725, Rep. Mitchell seconded, voted unanimously.

MNH

Administration Rep. Eaton moved to approve the Commissioner's proposed budget of \$271,227, Rep. Mitchell seconded, voted unanimously.

QI Rep. Eaton moved to approve the Commissioner's proposed budget \$61,838, Rep. Mitchell seconded, voted unanimously.

Nurse Practitioner Rep. Eaton moved to approve the Commissioner's proposed budget \$155,500, Rep. Mitchell seconded, motion passed ten to one.

Dietary Rep. Eaton moved to approve the Commissioner's proposed budget of \$1,132,740, Rep. Mitchell seconded, voted unanimously.

Nursing Rep. Eaton moved to approve the Commissioner's proposed budget of \$4,255,516, Rep. Mitchell seconded, voted unanimously.

TLC Rep. Eaton moved to approve the Commissioner's proposed budget of \$1,011,870, Rep. Mitchell seconded, voted unanimously.

Laundry Rep. Eaton moved to approve the Commissioner's proposed budget of \$304,783, Rep. Mitchell seconded, voted unanimously.

Housekeeping Rep. Eaton moved to approve the Commissioner's proposed budget of \$502,285, Rep. Mitchell seconded, voted unanimously.

Activities Rep. Eaton moved to approve the Commissioner's proposed budget of \$227,899, Rep. Mitchell seconded, voted unanimously.

Social Services Rep. Eaton moved to approve the Commissioner's proposed budget of \$144,672, Rep. Mitchell seconded, voted unanimously.

OT Rep. Eaton moved to approve the Commissioner's proposed budget of \$184,496, Rep. Mitchell seconded, voted unanimously.

PT Rep. Eaton moved to approve the Commissioner's proposed budget of \$319,495, Rep. Mitchell seconded, voted unanimously.

Misc. Services for Residents Rep. Eaton moved to approve the Commissioner's proposed budget of \$165,470, Rep. Mitchell seconded, voted unanimously.

ASSISTED LIVING

Rep. Eaton moved to approve the Commissioner's proposed budget \$311,017, Rep. Mitchell seconded, voted unanimously.

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HUMAN SERVICES

Rep. Eaton moved to approve the amended budget of \$5,247,033, Rep. Mitchell seconded, voted unanimously.

TC Coordinator

Rep. Eaton moved to approve the Commissioner's proposed budget of \$18,000, Rep. Mitchell seconded, voted unanimously.

OUTSIDE SERVICES

HCS - Rep. Irene Pratt moved to approve \$92,000, Rep. Richardson seconded. Rep. Pratt spoke to the need for additional funds for HCS and that the investment of funds addresses the needs of the county. Discussion followed. Rep. Pratt amended the motion to \$89,000, Rep. Richardson seconded, vote 10 to 1, motion passed.
Monadnock Center for Violence Prevention- Rep. Slack moved to approve the Commissioner's proposed budget of \$6,000, Rep. Espieffs seconded, voted unanimously.

Substance Abuse - Rep. Slack moved to approve the Commissioner's proposed budget of \$5,750 Rep. Richardson seconded, voted unanimously.

Community Kitchen - Rep. Eaton moved to approve the Commissioner's proposed budget of \$6,000, Rep. Slack seconded, voted unanimously.

MDS - Rep. Liebl moved to approve level funding in the amount of \$35,000, Rep. Slack seconded, voted unanimously.

Keene Senior Citizens - Rep. Eaton moved to approve the Commissioner's proposed budget of \$0, Rep. Laurent seconded. There was discussion on the request. The motion failed with a roll call vote of 5 yeas, 6 nays. Rep. Eaton moved to approve \$5,000, seconded by Rep. Laurent, motion failed with a roll call vote of 5 to 6. Rep. Espieffs moved to increase the budget amount to \$6,500, seconded by Rep. Mitchell, motion passed 7 to 4.

MFS - Rep. Richardson moved to add \$80,000 to the Commissioner's proposed budget, Rep. Mitchell seconded. Ken Jue was asked to speak to the needs of MFS and their fund raising efforts. Upon a voice vote of 9 yeas, two no, motion carried.

PILOT PROJECT

Rep. Mitchell moved to approve the Commissioner's proposed budget of \$2,500, Rep. Eaton seconded, voice vote of 6 yeas, two no, motion carried.

ALTERNATIVE SENTENCING

Rep. Eaton moved to approve the Commissioner's proposed budget of \$197,940, Rep. Mitchell seconded, voted unanimously.

COOPERATIVE EXTENSION

Rep. Eaton moved to approve the Commissioner's proposed budget \$188,107, Rep. Mitchell seconded, voted unanimously.

CONSERVATION DISTRICT

Rep. Eaton moved to approve the Commissioner's proposed budget of \$32,785, Rep. Mitchell seconded, voted unanimously.

DEBT SERVICE

Rep. Eaton moved to approve the Commissioner's proposed budget of \$953,661, Rep. Mitchell seconded, voted unanimously.

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CAPITAL OUTLAY

Rep. Eaton moved to approve the amended capital outlay budget of \$388,762, Rep. Mitchell seconded, voted unanimously.

Rep. Eaton moved to approve the Commissioner's proposed capital reserves of \$250,000, Rep. Mitchell seconded, voted unanimously.

The Commissioners advised the Committee of a 2003 surplus of \$687,000, which they suggest \$617,000 be put towards taxes to be raised. They are requesting \$80,000 be put aside until the Commissioners determine the cost of phase 2 of the wage and salary survey. They will bring the final figures to the Delegation on March 8.

Revenue

Rep. Eaton moved to approve the Commissioner's amended MNH,, DOC and Farm revenue of \$9,827,245, Rep. Mitchell seconded, voted unanimously.

Rep. Eaton moved to approve the Commissioner's proposed total revenue of \$25,121,182 Rep. Mitchell seconded, voted unanimously.

Rep. Eaton moved to approve the Commissioner's proposed taxes to be raised of \$11,703,335, Rep. Mitchell seconded, voted unanimously.

Rep. Eaton moved to increase the delegation mileage rate to equal the IRS rate for 2004, Rep. Webber seconded, voted unanimously.

Elected Officials Salary

Rep. Slack moved to keep the Commissioners salary at the same rate, Rep. Allen seconded, voted 9 to 1, motion passed.

Rep. Laurent moved to keep the Treasurer's salary at the same rate, Rep. Eaton seconded, voted 9 - 1, motion passed.

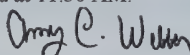
Rep. Eaton moved to increase the Register of Deeds salary by \$5000, seconded by Rep. Liebl, voted 9 to 1, motion passed.

Rep. Eaton moved to keep the County Attorney's salary the same, Rep. Liebl seconded, unanimous.

Rep. Eaton moved to keep the Sheriff salary the same, Rep. Slack seconded, discussion followed. Rep. Laurent called the question. Motion failed 2 to 8. Rep. Laurent moved to increase the sheriff salary to \$43,000, Rep. Liebl seconded, voted unanimously.

There was some discussion on when the first hearing regarding the jail will be held. The Commissioners stated that they have been discussing a meeting and will set a date soon.

There being no further business, the meeting was adjourned at 11:50 AM.



Amy Webber, Clerk

Minutes approved 3/3/04

MINUTES
Cheshire County Delegation
Monday, March 8, 2004 7:30 PM
12 Court Street, Keene, NH

PRESENT: Representatives Allen; Dunn; Eaton; Espieffs; Fish; Hunt; Laurent; Mitchell; I. Pratt; J. Pratt; Richardson; Robertson; Royce; Slack; Smith; Tilton; Webber; Weed; Commissioners Zerba and Moore; County Administrator Wozmak; Sheryl Trombly Finance Director; Terry Warren Ex. Asst. to Commissioners.

Chairman Espieffs called the meeting to order at 7:39 PM.

Chairman Espieffs asked Linda Mangones of Keene Housing Authority to explain the CDBG requirements and introduce the proposed project.

Ms. Mangones began by introducing herself and the other staff who were present to describe the proposed CDBG project to the delegation, Jack Dugan, Monadnock Economic Development Corporation; Bryan Torcivia, The Monroe Group; and Brett Rosner, Janos Technology, Inc. Using the handout, she briefly explained the prospective roles of Keene Housing Authority (KHA), and Monadnock Economic Development Corporation.

She stated that the purpose of the public hearing was to explain and discuss the proposed Community Development Block Grant (CDBG) application for Monadnock Economic Development Corporation to construct leasehold improvements in a vacant industrial property that it owns located at 55 Black Brook Road.

Ms. Mangones then presented an overview of the entire CDBG program. This is a competitive program now administered by the Community Development Finance Authority (CDFA) for most of the state. About \$4-5 million is distributed for economic development projects each year. Applications for economic development projects are accepted throughout the year on a first-come, first-served basis. In order to be funded, an application must score at least 250 on a 540 point scale. Larger cities and town may apply for up to \$500,000 for a one-year project and \$1,000,000 for a two-year project. All projects must have a primary benefit for low and moderate income persons.

Ms. Mangones reviewed the Housing and Community Development Plan for Cheshire County. Because Cheshire County itself has no real power within the municipalities, this is a somewhat general statement of the type of projects that the County supports.

Ms. Mangones reviewed the Displacement and Relocation Plan for Cheshire County. This plan is essentially the same for every community that participates in the CDBG program. It is a plan to minimize involuntary displacement and assist households and businesses that are displaced as a result of a CDBG program. If a CDBG project results in the displacement of a household or business, the Grantee and Subrecipient of the grant are required to provide financial and other assistance under the Uniform Real Property Acquisition and Relocation Assistance Act of 1970, as amended. Because the proposed site is vacant, this project has no relocation.

Mr. Dugan, Mr. Torcivia, and Mr. Rosner then described the proposed project to the delegation.

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Rep. Fish asked how this company was chosen. Jack Dugan stated that MEDC recruits companies that have potential growth. Rep. Robertson asked what is the company's obligation. Jack Dugan stated that the company has signed a five-year lease for the property, which contains the job creation obligation. The Janos representatives passed samples of their optical products around to the members. A member of the public, Sam DeYoung asked if there are any hazardous materials used in the production of the products. Mr. Torciva responded that they do use hazardous materials and have procedures in the use and disposal of the materials. Rep. Pratt asked if there is an impact on county taxes for this program. Jack Dugan stated that there is not. Sam DeYoung, a citizen, asked who is responsible if the company leaves and the site is affected with hazardous materials. Linda Mangones stated that the legal documents for this project require the company to indemnify Cheshire County and MEDC from any responsibility for problems caused by hazardous waste.

There being no further questions, comments, or discussion regarding the project, the public hearing portion of the meeting was closed at 8:03 PM. Rep. Slack moved that the delegation authorize the Cheshire County Commissioners to apply for Community Development Block Grant funds, not to exceed \$440,000, to be used by Monadnock Economic Development Corporation to construct leasehold improvements for Janos Technology; that the County reaffirm the Housing and Community Development Plan and Displacement and Relocation Plan previously adopted; that the County will accept the grant if approved, and will enter into a contract with the State of New Hampshire; and, further, that the County Commissioners are authorized to execute any documents that may be necessary for this project. Motion seconded by Rep. Eaton, roll call vote was taken and the motion passed 19 to 1.

Chairman Espieffs turned the meeting over to Executive Committee Chair John Hunt to present the proposed executive committee budget. Chairman Hunt said that he presumed everyone had read the Executive Committee's proposed budget and stated that he understood there was an amendment to the Executive Committee budget and asked Commissioner Zerba to address the proposed amendment.

Commissioner Zerba advised the committee that the proshare funds expected in 2003 had been received and the Commissioners after the Executive Committee concluded their budget deliberations. Zerba recommended line items to receive the \$590,034 in ProShare funds.

Rep. Royce moved to amend the Executive Committee Budget by increasing revenue line #3404.10.00 by \$590,034.00 for the receipt of the State of NH Proportional Share Funds. And to adjust offsetting account lines as follows: 4900.97.34 (Capital Equipment Purchase Computers) for \$150,000.00 for replacement of the Microwave Communication System; Various payroll and benefit lines for \$22,500.00 for implementation of phase # 2 of the pay & classification study; 3911.00.00 (Transfer from fund Balance) for \$156,249.00 to decrease the amount of funds transferred from fund balance in order to retain for future use; 3111.00.00 (Taxes to be raised) for \$35,000.00 to decrease taxes to be raised to a level of 1.50% over 2003; 4915.89.00 (Capital Reserve Funds) for \$226,285.00 for the specified designations which include: \$10,000.00 for Court House Reserves, \$10,000.00 for Administration Building Reserves, \$76,285.00 for Nursing Home Reserves, \$30,000.00 for Computer Reserves,

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\$30,000.00 for Farm Reserves, \$50,000.00 for Jail Reserves, \$10,000.00 for Assisted Living Reserves, \$10,000.00 for Downtown Campus Reserves. Rep. Eaton seconded.

Rep. Pratt asked who made up the list of items, the Executive Committee or the Commissioners. Rep. Hunt stated that the Executive Committee had zeroed out the proshare funds because they were not expected to be received, and that the Commissioners made the recommendations. Rep. Weed asked if the amounts were put together by a formula. Director Trombly stated that the reserve funds needed to be brought up and that there is a statute that limits the amount put into reserves.

Rep. Webber asked the Commissioners to explain the microwave system. Commissioner Zerba stated that the new system is to allow data communication between Keene and Westmoreland. Rep. Dunn asked if these are the distributed funds that will eventually be discontinued. Administrator Wozmak stated that for several years we have been told that the funds would stop but it is expected for about another year or two. Rep. Pratt suggested that the funds for the microwave be used to lure the broadband network to Westmoreland.

Rep. Hunt made a friendly amendment that the \$150,000 be put in surplus rather than the operating budget for the Microwave System pending further investigation into resolving the computer communication issue, Rep. Pratt seconded, voice vote was taken and the motion passed unanimously.

A roll call vote was taken and the amendment regarding the distribution of the proshare funds passed unanimously.

Executive Committee Chairman Hunt addressed the outside agency budget. He stated how he believes that the agencies should not be going to the city and towns of the county, and then going to the county for funds. **Rep. Hunt moved to change the Monadnock Family Services (MFS) allocation to \$20,000, Rep. Laurent seconded.** Discussion followed. Ken Jue of MFS addressed the fact that the \$80,000 will cover a deficit of approximately \$250,000. **A roll call vote was taken and the motion to reduce the proposed appropriation failed 15 to 4.**

Rep. Robertson moved to add \$1 to the budget to offer to the City of Keene for the public works property, Rep. Fish seconded. A short period of discussion followed. **A roll call vote was taken and the motion failed 15 to 4.**

Rep. Eaton moved to adopt the Executive Committee's proposed budget, as amended, in the amount of \$25,369,967, Rep. Parkhurst seconded. Upon a roll call vote, the motion passed 17 to 2.

Rep. Mitchell moved to accept taxes to be raised from the city and towns for 2004 in the amount of \$11,668,335, Rep. Eaton seconded. A roll call vote was taken and the motion passed 18 to 1.

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Rep. Royce moved to authorize the Register of Deeds to expend surcharge funds in the amount of \$9100, seconded by Rep. Eaton. A roll call vote taken and the motion passed unanimously.

Rep. Royce moved to approve the mileage reimbursement rate for 2004 travel for delegation for 37.5 cents, Rep. Eaton seconded, roll call vote taken, motion passed 17 to 2.

Rep. Eaton moved to vote on the elected officials salary as follows: Commissioners, leave at present rate of \$9,225 per year; Treasurer, leave at present rate of \$4,613 per year; Register of Deeds increase by \$5,000 to \$50,000; County Attorney, leave at present rate of \$61,500 per year; Sheriff, increase by \$2000 to \$43,000, Rep. Mitchell seconded. Rep. Fish moved to change the increase for the Register of Deeds to \$60,000, seconded by Rep. Parkhurst. There was discussion on the amendment and Rep. Fish and Parkhurst agreed to a friendly amendment to reduce the amount to \$50,000, a roll call vote was taken and the amendment passed 19 to zero. A roll call vote was taken on the main motion regarding elected officials salaries and the motion passed 19 to zero.

Commissioner Zerba spoke to the delegation about House Bill 1339, which pertains to the distribution of the Tobacco Settlement Agreement funds. Rep. Fred King will be bringing forth an amendment that would redirect a portion of the tobacco settlement funds to the counties, where much of the settlement money was originally intended to go before being diverted by the State for general fund/Claremont School funding. A fair allocation of the tobacco settlement dollars will help offset the Maplewood 2003 operating deficit of \$2,327,965.00 deficit and ensure that the tobacco revenues will be used as envisioned by the Settlement Agreement. He encouraged the committee to support this amendment.

There being no further business, the meeting was adjourned at 9:31 PM.



Minutes approved on March 11, 2004

Amy Webber, Clerk

MINUTES
Executive Committee Meeting
2004 First Quarter Budget Review
Monday, May 17, 2004 9:00 AM
33 West Street, Keene, NH

PRESENT: Representatives Eaton; Espieffs; Hunt; Laurent; Liebl; Mitchell; I. Pratt; Richardson; Slack; Webber; Commissioners Zerba, and Moore; County Administrator Wozmak; Sheryl Trombly
Finance Director; Facilities Manager King; Terry Warren Ex. Asst. to Commissioners.

Chairman Hunt called the meeting to order at 9:00 AM.

Director Trombly presented an overview of the first quarter budget.

The general fund revenue balance is at 74.71% and the Maplewood revenue balance remaining is at 75.47%, giving a total revenue balance of 74.99%. The General Fund expense balance remaining is at 75.40% and the Maplewood Expense Balance remaining is at 75.27%, giving a total expense balance at 75.35%.

Rep. Liebl moved to accept the report as presented.

Rep. Irene Pratt asked about the unemployment compensation line. Director Trombly stated that the fees for unemployment insurance is paid on wages under \$8000 and it reduces after that, so costs are higher in the first quarter.

Rep. Mitchell asked about the auditing fees. Director Trombly stated that the expenses exceeded what she expected because this is the first year for the GASB-34 requirement for audits. Some of the things done for this audit will not have to be done again.

Rep. Eaton asked why the sheriff dispatch overtime line was already 30% over budget. Administrator Wozmak stated that the Sheriff will be at the delegation meeting and the question can be answered by the Sheriff at that time.

Rep. Webber asked why the farm has used 50% of their fuel budget. Director Trombly stated that because of the cold winter, the winter is at the beginning of the budget year and expenses are generally higher in the first quarter.

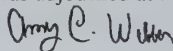
Rep. Mitchell asked about the TLC registry line and why it was over budget. Director Trombly stated that registry is the temporary agency personnel and that other staff lines are under budget, thus there is a balancing effect. Overall, the nursing staff line is where it should be.

Commissioner Zerba advised the committee that Cheshire Medical Center-Dartmouth Hitchcock Clinic would be taking over the Medical Directorship and physician services for the nursing home, effective August 2nd.

Rep. Slack asked about the outside services payments and how it is decided the payments are made. Director Trombly stated that because the budget was not passed until March, payments started in April and that is why there are few payments in the first quarter.

Motion seconded by Rep. I. Pratt, voted unanimously.

There being no further business, the meeting was adjourned at 9:40 AM.



Minutes approved on May 26, 2004

Amy Webber, Clerk

MINUTES
Cheshire County Delegation
Monday, May 17, 2004 9:30 AM
33 West Street, Keene, NH

PRESENT: Representatives Dunn; Eaton; Espieffs; Fish; Hunt; Laurent; Liebl; Manning; Mitchell; Parkhurst; I. Pratt; J. Pratt; Richardson; Robertson; Royce; Slack; Webber; Weed; Commissioners Zerba and Moore; County Administrator Wozmak; Sheryl Trombly Finance Director; Register of Deeds Hubal; Facilities Manager King; Terry Warren Ex. Asst. to Commissioners.

Chairman Espieffs called the meeting to order at 9:40 AM.

The first item on the agenda is the request to approve an amendment to the Sheriff's budget for the purchase of dispatch equipment with a Homeland Security Grant of \$24,689. 90. This would add a third console to the dispatch department. It is funded completely by federal funds and requires no County match. **Rep. Eaton moved to authorize the Sheriff to apply for and expend these grant funds and to execute any documents related thereto, Rep. Royce seconded, voted unanimously.**

Administrator Wozmak explained that the Army Corps of Engineers is working on the Connecticut riverbank storm erosion caused by the flooding last year. The Corps of Engineers will pay the first \$40,000 of the expense and the county would be responsible for 35% of the balance of the costs. We are requesting authorization to transfer funds from the Waste Water Treatment Plant expense line. There was discussion regarding who is responsible for the flood damage. Rep. Dunn suggested that the motion include adding that we proceed with the project but proceed looking for additional federal funds towards the repairs. There was some discussion and Rep. Manning moved to table the motion, vote was unanimous. Rep. J. Pratt suggested that the Commissioners meet with Senators Gregg and Sununu and Rep. Bass to review the problem and see what assistance they can give us from the Federal Government. **Rep. Hunt moved to authorize the Commissioners to go forward in order to determine design and cost analysis and draw funds not to exceed \$50,000 from capital reserves for this purpose, Rep. Weed seconded, voted unanimously.**

Manager King gave the committee an overview of the Honeywell proposal for energy conservation for the County facilities (except the jail). The program involves the investment of \$1.1 million in fixture and equipment changes that will yield substantial reductions in energy consumption. The investment is set up to be budget neutral; offset by the operating savings over 11 to 15 years. Replacing the identified fixtures and equipment will take approximately one year. There was some discussion on the work to be done by Honeywell. **Rep. Eaton moved to authorize the Commissioners to enter the energy conservation program contract with Honeywell and to execute any documents related thereto, Rep. Dunn seconded, voted unanimously.**

Commissioner Zerba gave the committee an overview of the space needs for downtown County offices. There was discussion on the project and the department needs and the various options available. The Commissioners recommended expanding the existing 33 West Street offices. There was much discussion about where county offices should be located. **Rep. Hunt moved that we hire an architect to do a cost and design analysis for a two story parking building and a third floor for office space, primarily for the Registry of Deeds, in the Courthouse parking lot on Winter Street, using up to \$30,000 from capital reserves for this purpose; seconded by Rep. J. Pratt, motion passed unanimously.**

MINUTES
Cheshire County Delegation
Monday, May 17, 2004 9:30 AM
33 West Street, Keene, NH

Register Hubal presented her request for transfer of funds from the surcharge account to purchase new flat screen for deeds computers and for a laptop computer. She did not know the cost of these items and after discussion, the amount of \$4,500.00 was decided upon. **Rep. Eaton moved to approve the expenditure of up to \$4,500.00 from the Deeds Surcharge Account for the purchase of a laptop computer and flat screens for existing Deeds computers. Rep. Parkhurst seconded, voted unanimously.**

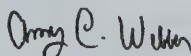
Administrator Wozmak updated the Delegation on the housing CDBG grant application which was submitted in the January round of funding but which failed to win an award. This application will be resubmitted in the July round of funding without any need for additional Delegation action. This information was for their information purposes only unless they wished to rescind their vote to seek this grant. There was no further discussion and we will await the result of the July round of funding.

Rep. Hunt moved that the 2004 budget be adjusted to include the following transfers and adjustments to the budget, Rep. Webber seconded, voted unanimously.

Capital Outlay Equip Sheriff's Dept	0.4900.97.91	\$	24,690.00	
Federal Grant's Reimbursement	0.3319.00.00			\$ 24,690.00
Capital Improvement WWTP	0.4900.89.13	\$	50,000.00	
Transfer from Capital Res Funds	0.3915.00.00			\$ 50,000.00
Capital Outlay - Downtown Offices	0.4900.89.96	\$	30,000.00	
Transfer from Capital Res Funds	0.3915.00.00			\$ 30,000.00
Total Ammendments		\$	104,690.00	\$104,690.00
Previous 2004 bottom line budget			\$25,369,967.00	
Add adjustments			\$ 104,690.00	
Amended 2004 budget			\$25,474,657.00	

Under other business, Rep. Eaton questioned why the Delegation's recommendation to the Commissioners to look at the gravel pit as one of the sites for the new jail was apparently dismissed out of hand. Commissioner Zerba stated that two public information sessions were held in Westmoreland and the majority of residents did not want the gravel pit used because of its visibility. They preferred the jail stay at the same site. Hence, the Commissioners made the decision to remain in the area of farmland nearest to the current facility. There was also discussion regarding the Commissioners decision to re-use the existing building. Some members of the Delegation were under the impression that the facility would all be new construction. There was limited discussion without any specific outcome.

There being no further business, the meeting was adjourned at 10:55 AM.



Amy Webber, Clerk

Minutes approved May 26, 2004

Farm Study Committee
July 8, 2004
Assisted Living Conference Room
Maplewood Nursing Home, Westmoreland, NH

Present: Farm Committee Chairman Mitchell; County Administrator Wozmak; Representatives Richardson, Irene Pratt, Laurent, Espieffs, Weed, Tilton; Dick Ober, Monadnock Conservancy; Wes Cobb; Peter C. Rhoades; Ann Sweet, UNH Cooperative Ext. Advisory Council; Ron Sweet; Ellen and Bruce Clement, Westmoreland Residents; Dave Putnam, Farm Manager; Marshall Patmos, UNH CE; Carl Majewski, UNH CE, Resident

Chairman Mitchell opened the meeting at 7:08 PM and made opening remarks about the purpose of the meeting. He said that it was to discuss the farm operation and land preservation and it was not a discussion about the jail or nursing home. He feels it is wise to consider what we want this land to be in the future and that a good tool for this was a conservation easement.

In attendance at this meeting were several members of the UNH Cooperative Extension Board of Directors along with Marshall Patmos and Dave Putnam, Cheshire County Farm Manager.

Dick Ober of the Monadnock Conservancy spoke about the work that has already been done on the county easement potential that balances the easement against the land use needs of county operations. By way of history, Dick Ober said that the County Commissioners voted to support a recommendation to the Delegation in December of 2001 for an easement. In June of 2002 the Delegation heard the matter and referred it to the Executive Committee. In August of 2002, the Executive Committee voted to table the discussion until a site for the new jail had been identified.

Representative Barbara Hull-Richardson asked about the objections to the earlier request for the easement and was advised it was mainly due to the jail site issue although there was some commentary about whether the county would/should sell land to finance the jail project.

Representative Ann Tilton asked if there were funds available for easements in the form of grants, etc. for recreation and/or improvements in the land. Marshall Patmos said that sometimes there are limited funds available.

Mr. Ober said that the Strafford County farm is in conservation easement.

There was some discussion about what needed to be done to bring this back before the delegation. Administrator Wozmak said that he felt that a poll should be taken of the Delegation to see where members stand on this issue. It was also mentioned that the current Board of County Commissioners should be approached as to their position on conservation easements.

Representative Tilton asked what happened to the revenue that resulted from farm operations under an easement. Ober said that revenue would continue to benefit the county directly and the easement would not change that.

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Marshall Patmos said that the County land, if it were in easement, would serve as a cornerstone for additional growth in conservation easements as he and Mr. Ober were aware that other abutting land owners would put their land into easement if the County did so.

Representative Chuck Weed asked if there was any connection of this to federal legislation such as the Silvio Conte legislation or river issues.

Ober said that the County land is probably one of the most critical resources due to the varied resource attributes and the history of stewardship by the County.

There was general discussion about when the next delegation meeting would be and Wozmak said that it would not probably take place until mid to late August.

Ellen Clement asked Mr. Ober why some land in conservation easement is allowed to be sold. Ober responded that sometimes outlying areas that abut other landowners is sold under certain condition, but the easement follows the land title.

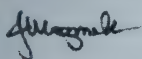
Mr. Ober said that while there has been a notable decline in farming across the region, this region has a farming infrastructure that remains viable. He also said it was his recollection that the Delegation did not have any objections to the easement other than the site for the jail. A decision was made to have the Representatives at this meeting contact the other members to see what is their position on the easement. However, prior to polling the Delegation, it was felt that a memo should go out to refresh the Delegation about the issue and to include the packet of information Marshall Patmos brought to the meeting.

Representative Espieffs asked what was going on in Vermont with regard to easements. He was told that Vermont is very active and that the land opposite the County land in Vermont is in easement. Representative Weed felt that it would be good to see a map identifying all the land in this area that is in easement. Marshall Patmos offered to provide Rep. Weed with a copy of the draft easement. Rep. Weed offered to come to County Administrator Wozmak's office to assist in coordinating a trip to Strafford County to speak to them about their easement.

The committee felt that the next meeting would take place after the tour of Strafford County farm out before the Delegation meets to discuss this issue. There was also a renewed discussion about the Mission Statement for the farm that the Committee had begun to draft. It was noted that this was still in the review stage.

The meeting was adjourned at 8:13 PM

Respectfully submitted,



Jack Wozmak, Clerk, Pro Tem

Minutes approved on July 22, 2004

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01/26/05

MINUTES
Executive Committee Meeting
2004 Second Quarter Budget Review
Monday, August 30, 2004 9:00 AM
33 West Street, Keene, NH

PRESENT: Representatives Allen; Eaton; Espieffs; Hunt; Laurent; Liebl; Mitchell; I. Pratt; Richardson; Commissioners Zerba; County Administrator Wozmak; Sheryl Trombly Finance Director; Facilities Manager King; HOC Superintendent Van Wickler; Sheriff Foote; Terry Warren Ex. Asst.

Chairman Hunt called the meeting to order at 9:12 AM. He asked the Commissioners to update the committee on the budget. Commissioner Zerba requested Director Trombly to present an overview of the second quarter budget.

She said all departments are doing well. Revenue is running at about 50%, with Maplewood revenue running at about 45%. The revenue is doing well.

Some expenses are a little off but most are at about 50%. Finance is over because of the audit costs. Some areas in facilities are over budget because of gas and fuel prices as well as last year's cold winter.

Director Trombly stated that she expects us to have a surplus of about \$800,000 by the end of the year.

Rep. Pratt asked if we get any referrals from hospitals other than Cheshire Medical Center. Administrator Wozmak stated that we do receive referrals from Brattleboro and Monadnock Hospital. There was some discussion about the referral process from the hospital to the nursing home.

Chairman Hunt brought up the issue of the joint meeting of the Executive Committee and the Commissioners to meet with outside agencies, to review their funding requests. This meeting has previously been planned before the finalized Commissioner's proposed budget. Because it is an election year, the executive committee may change and Chairman Hunt would prefer to wait until after the elections. Administrator Wozmak stated that what we would do is level fund the outside agencies for the Commissioner's proposed budget schedule the joint meeting with the outside agencies for a date after the 2nd Wednesday of December (the 8th), the statutory date on which the delegation must have their first meeting.

A date of September 21 at 7:30 PM was chosen for the next Delegation meeting at which time a new Clerk of the Delegation and Executive Committee will be appointed. The present Clerk, Rep. Webber, has apparently moved out of state, although no resignation has been received. Other items on the agenda will be the Army Corps of Engineers plan, the Deeds space plan and the jail project update.

Rep. Laurent moved to accept the second quarter report as presented, Rep. Eaton seconded, voted unanimously.

There being no further business, the meeting was adjourned at 10:05 AM.

Terry Warren

Terry Warren, Clerk pro tem
Minutes approved on September 1, 2004

MINUTES
Cheshire County Delegation
Tuesday, September 21, 2004 7:30 PM
Keene Middle School, Keene, NH

PRESENT: Representatives Allen; Dexter; Dunn; Eaton; Espieffs; Fish; Hunt; Laurent; Manning; Mitchell; Parkhurst; I. Pratt; J. Pratt; Richardson; Robertson; Royce; Slack; Smith; Tilton; Weed; Commissioners Zerba, Sistare and Moore; County Administrator Wozmak; Terry Warren Ex. Asst.

Chairman Espieffs called the meeting to order at 7:30 PM.

The first item on the agenda is the appointment of a clerk to the delegation and executive committee. **Rep. Smith nominated Barbara Hull Richardson to the position, Rep. Eaton seconded, voted unanimously.**

Chairman Espieffs spoke to the rules of the meeting and clarified that it is a delegation meeting and not a public meeting.

The next item of business is the Army Corps of Engineers riverbank erosion project. **Rep. Slack moved to appropriate the sum of \$150,000 to be taken from surplus account 3911.00.00, to be placed in a capital reserve account for the riverbank erosion repair project, account 4915.89.00, Rep. Easton seconded.** Discussion followed. Rep. Jack Pratt asked if there was any follow up on the request by the delegation to contact Sen. Judd Gregg to see if the county could be released from the responsibility of paying the 35% share of the costs. A memo was mailed out to the delegation on Sept. 14 confirming the request was made and the response that this was not possible. **A roll call vote resulted in 19 yes and 1 no vote. Motion passed.**

Rep. Allen made a motion to rescind the motion made on May 17 by Rep. Hunt "that we hire an architect to do a cost and design analysis for a two story parking building and a third floor for office space, primarily for the Registry of deeds, in the Courthouse parking lot on Winder Street, using up to \$30,000 from capital reserves for this purpose", seconded by Rep. Eaton. Discussion followed. Rep. Dexter asked if any of the original funds have been expended. Administrator Wozmak stated that they have not. **Roll call vote was taken and the motion passes unanimously.**

Rep. Allen continued the motion to authorize the Register of Deeds to expend surcharge funds in the amount of \$58,000 to purchase and install book shelving in the basement conference room for deeds space needs, Rep. Eaton seconded. Rep. Weed asked how long this project would fulfill deeds space needs. Register Hubal stated that it would last about two years. Rep. Robertson asked why such a high expense for shelves. Register Hubal explained that they are specially built steel shelves with

MINUTES
Cheshire County Delegation
Tuesday, September 21, 2004 7:30 PM
Keene Middle School, Keene, NH

rollers on them. Register Hubal explained that the surcharge account is specifically for the expenses of the Register of Deeds. Rep. J. Pratt asked if these are the same funds used to restore old records, Register Hubal stated they are not.

There was discussion on the deeds space needs. Administrator Wozmak stated that since the state court system is looking for a site that would combine all the courts into a single location, it would be to our interest to hold off expansion until those decisions are made, which would affect the downtown campus space needs. **A roll call vote was taken and the motion passed unanimously.**

Chairman Espieffs explained that the conservation easement is off the agenda at this time.

Rep. Mitchell stated that with all that is going on with the county property, he felt it would be best to consider the easement at another time.

Rep. Laurent moved to rescind the directive to the Commissioners to place the correction facility on county owned land in Westmoreland, Rep. Robertson seconded. Rep. Robertson spoke to the reasons for his support of the motion, which included location of a new facility closer to Keene for reasons of work release for inmates and to enable families of inmates to visit. Rep. Robertson stated that he has had two or three calls this week on land within the city of Keene, on Route 10, and other places, Route 10 headed north, not south, which are available and owners are interested. Rep. Weed is very concerned about the condition of the water treatment plant and bridge.

Rep. Dexter asked if the motion eliminates Westmoreland altogether. Rep. Laurent stated that it does not, but is to open the choices to other areas. Rep. Slack stated that the jail project has been going on for three and a half years and we have expended about \$500,000. Interest rates are going up. Rep. Hunt is concerned that we have not heard of a site that is better. He is concerned that we do the right thing and go forward with the jail project. Rep. I. Pratt stated that some of the money spent in the past three years was to pay for a consultant who recommended the jail be closer to the courts and businesses. Rep. Weed stated that he read in the Nov. 24 delegation jail committee minutes that a motion was made but failed in a vote, which requested that the County Administrator contact the abutters to the Aldrich property, and he wondered why it failed. Rep. Hunt stated that everyone knows what the county is doing and if they were interested, they would contact us.

MINUTES
Cheshire County Delegation
Tuesday, September 21, 2004 7:30 PM
Keene Middle School, Keene, NH

Rep. Dunn stated that he is interested in the answer to the Wastewater treatment plant and the facts concerning the bridge. Rep. J. Pratt stated that he wants to do what is right, but feels that the location of the jail was made by the commissioners and not by the delegation because he feels the commissioners deliberately withheld information on other sites. Rep. Fish stated that we are supposed to be creating solutions for those in the jail. Rep. Parkhurst asked if the Commissioners have any more information on any of the properties that may come out later.

Commissioner Zerba spoke to the concerns of the representatives. He stated that the Adams property was never viable as a location because the county farm land is not available to trade, and the Adams' are not interested in selling their property, just exchanging their property in Swanzey for our farm in Westmoreland.

Administrator Wozmak also addressed some of the issues mentioned. He stated that the engineering firms that have looked at the wastewater treatment plan have stated that there will likely be some upgrades required at the water treatment plant and they have never indicated that the problems were very serious. It has already been determined that the wastewater treatment plant would have to be upgraded in the future in any event, whether the jail is built there or not. It is for that reason that the energy conservation project began, in order to reduce the burden on the WWTP. The EPA allows 408 parts per 10 ml of e-coli in the tests of the plant, and on only two occasions has that been exceeded, both times in the winter when that situation may happen because of the effect of the weather on the treatment plant, and that was resolved within days. This situation has not raised any red flags to any agency. The EPA made an unannounced visit to the plant and no problems are indicated. The engineers do not expect a very large amount of use of the bridge since we would be using our own fill for the site and this would reduce the number of trucks going over the bridge.

Chairman Espieffs asked what services are available to the inmates. Administrator Wozmak stated that there was a report prepared and distributed to the delegation addressing that issue. Superintendent Van Wickler stated that we would be sacrificing the detox center by having the jail in Westmoreland, but increasing transportation would be planned to bring inmates to these services. Rep. Mitchell stated that he felt no matter where the jail is, there would be some transportation needs. If it is moved to Keene, it will affect the use of inmates for the nursing home and farm, which will either affect transportation or the budget since inmate labor is valued at about \$230,000.

Rep. Fish asked if the majority of inmates the sheriff transports are pretrial. The Superintendent stated that it was. Rep. Dexter said that there were three issues discussed

MINUTES
Cheshire County Delegation
Tuesday, September 21, 2004 7:30 PM
Keene Middle School, Keene, NH

at the meeting in Westmoreland, lighting, sewage and the bridge. The main question is whether there is another property that meets the requirements.

Rep. Smith moved to call the question, Rep. Hunt seconded, a voice vote was taken and the vote was 19 yes, 1 no.

A roll call vote was taken on Rep. Laurent's motion and the vote passed with 11 yes and 9 no votes.

Rep. Slack moved to amend the motion made on February 9, 2004 by striking the words "*on County-owned land in Westmoreland*" and inserting the words "*on the so-called Bardwell property in Swanzey, located on the Keene/Swanzey town line.*" And further, striking the words "*of Westmoreland*" and inserting the words "*the public*" and, further inserting, "*to authorize the County Commissioners to enter into negotiations for the acquisition of the so-called Bardwell property.*" The motion was seconded, then several representatives moved to table the motion. Motion tabled.

There being no further business, the meeting was adjourned at 8:42 PM.

Barbara Hull Richardson

Minutes approved on Oct. 4, 2004

Barbara Hull Richardson, Clerk

MINUTES
Cheshire County Delegation
Tuesday, October 26, 2004 7:00 PM
Jury Assembly Room, 12 Court Street, Keene, NH

PRESENT: Representatives Allen; Dexter; Duñn; Eaton; Espieffs; Fish; Laurent; Manning; Mitchell; J. Pratt; Robertson; Royce; Slack; Smith; Tilton; Weed; Commissioners Zerba, and Moore; County Administrator Wozmak; Terry Warren Ex. Asst. In attendance but unable to vote on the motions: Irene Pratt and Henry Parkhurst.

Chairman Espieffs called the meeting to order at 7:05 PM. **Rep. Eaton moved that Vice Chair Royce be appointed interim clerk, Rep. Pratt seconded, voted unanimously.**

Chairman Espieffs explained that this meeting was called for the purpose of continuing discussion about the jail site selection. He called on Commissioner Zerba to give an overview of the process on the need for a jail and the work done to date, which established that a new jail is needed. Commissioner Zerba said that the Commissioners had submitted another report to the Delegation regarding the so-called Aldrich property and abutting landowners.

Rep. J. Pratt asked if a motion would be in order, Chairman Espieffs stated that it would be. Rep. Pratt stated that he would like to commend the work done by the leadership of the County government and the hard work done since the last delegation meeting. **Rep. Pratt moved that the delegation approve "site 3" in map P2 of Clough Harbour's report and further that the Commissioners be authorized to move with all deliberate speed to acquire the properties necessary and begin the preparation for the site for construction of a new correctional facility, seconded by Rep. Laurent.**

Discussion followed. Rep. Pratt stated that he felt it was a good choice for a jail site, meeting all the criteria. Rep. Robertson asked if part of the motion should stated that the Aldrich property be purchased. Rep. Pratt stated that he did not want to restrict the negotiators on what property would be purchased and that they would buy what they need to buy. If they found that it would cost huge amounts of money, they come back and talk eminent domain, if necessary. Rep. Smith stated that "huge amounts of money" be clarified and specific numbers given. Rep. Dexter asked about utilities, the Commissioners responded that the utilities were there, at the cul de sac. Administrator Wozmak stated that when the \$23.5 million estimate of the jail construction project was determined, consideration of some mix of site development and/or acquisition was included. If either site acquisition or development cost become excessive, we would have to come back to the Delegation.

Rep. Laurent made a motion to move the question, seconded by Rep. Eaton. Voice voted taken and the motion to move the question was approved.

MINUTES
Cheshire County Delegation
Tuesday, October 26, 2004 7:00 PM
Jury Assembly Room, 12 Court Street, Keene, NH

A roll call vote was taken on the main motion and the motion was carried with 15 yeas and 1 nay. Rep. Slack voted against the main motion. Rep. Irene Pratt and rep. Henry Parkhurst, having arrived after the motion was made, could not vote on the motion.

Rep. Pratt asked again that it be put in the minutes that the delegation appreciates the work of the Commissioners and the staff to try to resolve this problem in a way that was amicable to all since the last delegation meeting.

Rep. Pratt stated that since this is the last meeting of the delegation he would like to state that it was a privilege and joy to work with Charlie Royce, Joe Manning, Irene Pratt, Pam Slack, David Meader, Amy Webber and George Liebl, and that he wishes them thanks for all their work and good health and God speed.

There being no further business, the meeting was adjourned at 7:26 PM.

Terry Warren for
Phone approval on 11/4/04 Charles Royce, Clerk Pro Tem

MINUTES
Executive Committee Meeting
2004 Third Quarter Budget Review
Monday, November 29, 2004 10:00 AM
Maplewood Nursing Home, Westmoreland, NH

Present: Representatives Allen, Richardson, Espieffs, Laurent, Eaton, Hunt, Mitchell, Commissioners Zerba and Moore, County Administrator Wozmak, Finance Director Trombly, County Attorney Albrecht, Facilities Manager King.

Chairman Hunt opened the meeting at 10:00 AM.

Finance Director Trombly presented the 3rd quarter budget summary indicating that we are well within our budgeted expenditures and budgeted revenue. She is estimating a surplus of about \$1 million by year end. There were no questions regarding the 3rd quarter budget review.

Director Trombly also spoke briefly about the Commissioners 2005 proposed budget. While the budget is up, primarily due to benefits and health insurance and some other personnel expenses, there is no increase in taxes to be raised.

County Administrator Wozmak presented the recommendation of the Commissioners that the County lease office space at 265 Washington Street to house the Alternative Sentencing Program and Mental Health Court program, currently housed in what used to be the 2nd floor conference room at 33 West Street. Since there is no expansion room at 33 West, leased space must be considered due to the growth of this program and the need for additional space for the Registry of Deeds. Deeds will take over the basement conference room at 33 West Street. Administrator Wozmak said that several properties were looked at and several Realtors were contacted to identify available office space for rent. The property, known as the Pierce-Putnam building is better than others that were looked at as it is ready to move in to, needing no handicap or parking work. Representative Eaton asked that the former Salvation Army location be assessed as a possible site and that the Commissioners use their own judgement in making the final decision. After some additional discussion, Representative Eaton **MOVED to authorize the County Commissioners to enter into a lease for the most advantageous property to house the Alternative Sentencing/Mental Health Court and to advance this matter to the full Delegation for a final vote. The motion was seconded by Rep. Allen. The motion passed upon a unanimous voice vote.**

The County Attorney provided the Executive Committee with a preview of his personnel requests for 2005. He is requesting an additional Assistant County Attorney. He will make a presentation to the Executive Committee during the budget hearings.

There was some discussion about farm labor and transportation to and from the new jail site in Keene. Administrator Wozmak said that at this point, he will be planning for a van and labor for transportation to get inmates back and forth from the Westmoreland County Complex. He reminded the committee that we get approximately \$233,000 in labor out of the inmate pool and that the cost of a van and drivers is only about 20% of the value of the labor. However, he also reminded the committee that such a plan is about 2 years away.

MINUTES
Executive Committee Meeting
2004 Third Quarter Budget Review
Monday, November 29, 2004 10:00 AM
Maplewood Nursing Home, Westmoreland, NH

Administrator Wozmak told the committee that members of the Mental Health Court team make a presentation at Grand Rounds at the NH State Hospital about the pilot mental health court. Each Representative will receive a DVD of the presentation, which will help them appreciate the scope and success of the pilot program.

County Attorney Albrecht spoke about the Child Advocacy Center that he is working on developing as a result of an initiative from the NH Attorney General (then, Peter Heed). The Center will provide a range of services to assist child victims of crime while at the same time providing a framework to assist law enforcement in prosecuting those who commit crimes against children.

There was no other business and the meeting was adjourned at 11:05 AM.

Barbara Hull Richardson

Minutes approved by phone 12/10/04

Barbara Hull Richardson, Clerk

MINUTES
Cheshire County Delegation
Organizational Meeting
Wednesday, December 8, 2004 7:00 PM
Jury Assembly Room, 12 Court Street, Keene, NH

PRESENT: Representatives Allen; Butcher; Butynski, Chase, Dexter; Eaton; Espieffs; Foote; Hogancamp; Hunt; Mitchell, Parkhurst; Pelkey; Plifka; Pratt; Richardson; Roberts; Robertson; Sawyer; Sinclair; Tilton; Weed; Commissioners Zerba, Sistare and Moore; County Administrator Wozmak; Finance Director Trombly; Terry Warren Ex. Asst.

Chairman Espieffs opened the meeting at 7:15 PM.

Members of the Delegation, Commissioners and county employees introduced themselves.

Rep. Allen moved to nominate the following members of the delegation as Chairman – Rep. Judson Dexter; Vice Chairman – Rep. Dan Eaton; Clerk – Rep. Barbara Richardson, seconded by Rep. Robertson, a voice vote unanimously approved.

Rep. Eaton moved to nominate the following members of the delegation to the Executive Committee: Chairman – Rep. Robertson; Vice Chair – Rep. Hunt; Clerk – Rep. Richardson; Reps. Allen, Butynski, Eaton, Mitchell, Pratt, Sinclair, Tilton, Dexter, Emerson, Hogancamp; Rep. Weed seconded, voice vote unanimously approved.

Rep. Robertson asked that the Commissioners update the Delegation on the jail site and the fact that our nursing home administrator has left. Commissioner Zerba stated that the administrator resigned in October and this fact is stated in the Commissioner's minutes of October 1. Administrator Wozmak addressed the status of the Keene jail site planning process. He stated that discussions are ongoing, and that the work to determine the property needed for the jail was reviewed today and a meeting with property owners are continuing. Test drillings are scheduled for December 20.

There being no further business, the meeting was adjourned at 7:30 PM.

Barbara Hull Richardson

Minutes approved by phone 12/22/04

Barbara Hull Richardson
Clerk

MINUTES
Cheshire County Delegation
Public Hearing
Wednesday, December 8, 2004 7:30 PM
Jury Assembly Room, 12 Court Street, Keene, NH

PRESENT: Representatives Allen; Butcher; Butynski, Chase, Dexter; Eaton; Espieffs; Foote; Hogancamp; Hunt; Mitchell, Parkhurst; Pelkey; Plifka; Pratt; Richardson; Roberts; Robertson; Sawyer; Sinclair; Tilton; Weed; Commissioners Zerba, Sistare and Moore; County Administrator Wozmak; Finance Director Trombly; Terry Warren Ex. Asst.

Chairman Dexter opened the meeting at 7:33 PM. He spoke to the Delegation of some of the duties of the Delegation and Executive Committee.

Discussion of the budget began with Commissioner Zerba, who described the budget process. He reviewed some of the pertinent information regarding the budget. There were some questions on the County's self-funded health insurance. Rep. Pratt asked how the county is involved in the discussion on GraniteCare, the Medicaid Modernization initiative of HHS Commissioner John Stephen. Administrator Wozmak stated that we are involved and that the New Hampshire Association of Counties has been getting together to discuss the issue. They have contacted healthcare providers regarding it. A financial analysis of the plan is being prepared along with potential alternatives to the plan. Rep. Pratt asked that an informational meeting be held to advise the delegation with whatever information we receive.

Rep. Weed asked about the \$500,000 bed tax refund included in revenue. Administrator Wozmak stated that it is a tax and goes direct to the nursing home based on their Medicaid population. Director Trombly explained how the bed tax works.

Chairman Dexter stated that there is a jail advisory committee that has been established and he would like three volunteers who would like to be on that committee.

Rep. Parkhurst moved to approve to increase the mileage rate for travel reimbursement to the IRS rate of .405 cents per mile, starting January 1, 2005, Rep. Allen seconded. Rep. Eaton moved to amend the motion so that any delegation member attending any meeting should receive mileage and attendance whether or not they are a member of the committee. The vote on the amendment to the main motion taken and voice vote resulted in 21 yeas and 1 nay. The main motion passed on a voice vote of 21 yeas and 1 nay.

Administrator Wozmak gave the committee an overview of the downtown space needs that has created the need to lease space for the Alternative Sentencing Program and Mental Health Court.

Rep. Eaton moved to authorize the County Commissioners to enter into a lease for the most advantageous property to house the Alternative Sentencing/Mental Health Court program, seconded by Rep. Pratt. Voice vote resulted in 21 yeas and 1 abstention.

There being no further business, the meeting was adjourned at 8:20 PM.

Barbara Hull Richardson

Minutes approved by phone on 12/22/04

Barbara Hull Richardson Clerk

MINUTES
Cheshire County Executive Committee
Wednesday, December 8, 2004 8:30 PM
Jury Assembly Room, 12 Court Street, Keene, NH

PRESENT: Representatives Allen; Butynski, Dexter; Eaton; Hogancamp; Hunt; Mitchell, Pratt; Richardson; Robertson; Sinclair; Tilton; Commissioners Zerba, Sistare and Moore; County Administrator Wozmak; Finance Director Trombly; Terry Warren Ex. Asst.

Chairman Robertson opened the meeting at 8:29 PM. The budget packages and budget review schedule were distributed. Chairman Robertson asked who would not be available for next week's executive committee meeting with the outside agencies. There was some discussion on the scheduled meeting of December 13. This resulted in the meeting of the 13th being cancelled. The outside agencies will be invited to attend the Executive Committee meeting in January where outside agencies are discussed.

There was some discussion about changing the schedule and/or the location of Executive Committee budget hearings, however, no changes were made at this time.

Chairman Robertson stated that he would like to have the meetings start at the times scheduled and urged all members to maintain the schedule.

Rep. Allen moved to authorize the Treasurer of the County of Cheshire, upon the request of the Cheshire County Board of Commissioners, to borrow in anticipation of taxes an amount not to exceed \$9.5 million dollars (\$9,500,000) for the 2005 budget year, January 1, 2005 to December 31, 2005, seconded by Rep. Eaton.

There being no further business, the meeting was adjourned at 8:42 PM.

Barbara Hull Richardson

Minutes approved by phone on 12/22/04

Barbara Hull Richardson
Clerk

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The Journal of the American Chemical Society is a leading journal in the field of chemistry. It publishes original research papers, reviews, and communications. The journal is published by the American Chemical Society, which is a professional organization for chemists. The journal is known for its high quality and its wide range of topics. It is a must-read for chemists and is highly respected in the scientific community. The journal is published in English and is available in print and online formats. The journal is a key source of information for chemists and is an important part of the chemical literature. The journal is published by the American Chemical Society, which is a professional organization for chemists. The journal is known for its high quality and its wide range of topics. It is a must-read for chemists and is highly respected in the scientific community. The journal is published in English and is available in print and online formats. The journal is a key source of information for chemists and is an important part of the chemical literature.

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